

**EFFECTIVENESS OF LOCAL GOVERNMENT IN CHINA:
AN ANALYSIS OF TWO DISTRICTS OF BAOJI CITY,
SHAANXI PROVINCE**

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A THESIS SUBMITTED
FOR THE DEGREE OF MASTER OF SOCIAL SCIENCES
DEPARTMENT OF POLITICAL SCIENCE
NATIONAL UNIVERSITY OF SINGAPORE
2005

Acknowledgments

This master thesis witnesses my two years' work in NUS and is an accumulation of my painstaking efforts. However, it is not just my own achievements. Here I want to show my appreciation to my professors, classmates, friends and my dear parents, for what they have bestowed on me all the time.

First of all, I want to thank my supervisor, Professor Jon Quah, who has consistently given me encouragement and critical suggestions for my thesis writing. Without his insightful guidance, I cannot reach today's step. Additionally, his tolerance to my shortcomings and convoluted English is most appreciated. My appreciation also goes out to Dr. Yusaku Horiuchi and Dr. Cai Yongshun, for the knowledge I have learned from their lectures and experiences I have obtained from working with them.

Secondly, I want to thank my dear classmates and friends in the Department of Political Science, for their help in this thesis writing. To Hengfu, Vicente and Rongbin, thanks for your good suggestions when I encounter problems. I also feel thankful for Shin, Lin Lin, Wei Jia, Gu Jing, Yaping, Guo Li, Xu Ke and Cui Jing for encouraging me and sharing my happiness and bitterness in the past two years. Moreover, I appreciate the great help from Thiru, Chen Shaofeng and Lye Liang Fook for editing my thesis. They spent a lot of time and offered extremely valuable suggestions for my thesis.

Last but not least, I want to thank my dear parents, who always stood by me when I met difficulties during the two year's life in Singapore. With their help in contacting interviewees, providing sources and consistent understanding and support, finally I was able to submit this master thesis.

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Summary

In order to meet the challenges brought by the economic reform and social transformation since 1978, local government at various levels in China is taking a series of measures to reinvent its government, such as transforming government functions, introducing the cadre responsibility system to improve the accountability of leaders and so forth.

Over the past twenty years, studies on the Chinese politics mainly focus on government reform and some certain rural issues, including how to deal with the relationship between the local government and central government, how to reduce the excessive peasants' tax burdens, promote the development of rural society and the democratic election of the village leaders and village committee. Although research on the effectiveness of local government in democratic countries has achieved great process, this topic is still new for most scholars engaged in conducting research on Chinese politics. There is still no satisfactory answer to the question: How effective is the local government after the reform?"

Considering the multi-level nature of Chinese bureaucracy, this study will focus on the effectiveness of local government at the district level. Is the district government effective after reform? What might contribute to the effectiveness of the district government? Are there valuable and feasible policies that can improve the effectiveness of local district government in China? These are the research questions I attempt to explore in this study.

Therefore, I choose the two District Governments of Jintai and Weibin in Baoji City of Shaanxi Province to do my case study. After reviewing government functions and the official system for assessing government effectiveness in Baoji City, I constructed fifteen

indicators to evaluate the effectiveness of these two district governments in terms of their ability to perform functions.

My research results show that Weibin District Government was more effective than the Jintai District Government from 1998-2002. When I attempt to explain why those two districts had different levels of government effectiveness, the conventional idea that local economic condition will contribute to government effectiveness cannot be justified in my case study. The research findings also demonstrate that there is no causal relationship between education, urbanization or sociocultural factors and government effectiveness. Finally, I propose five policy suggestions for improving the effectiveness of the Jintai and Weibin District Governments.

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Chapter 1 Introduction

The Research Problem

Research Questions

Since China introduced the economic reform and open-door policy in 1978, Chinese governments at various levels face tremendous challenges. Rampant official corruption is a good example. A large number of laid-off workers from state-owned enterprises and the excessive farmer's tax burdens have triggered large-scale protests against the government in China. Furthermore, the deprivation of environment and resources seriously influenced the sustainable development of the society. All these problems constitute considerable challenges to the stability of the society and the governance of the Chinese Communist Party (CCP).

Therefore, China has taken a series of measures to reinvent its government to adapt to the new environment, such as transforming government functions, streamlining the relationship between government and society and introducing a cadre responsibility system to improve the leaders' accountability and government performance.

During the past twenty years, a number of scholars in China and other countries have done research on government reform in China and proposed many suggestions, such as the adjustment of fiscal revenue distribution between the central and local government, improvement of urban-rural income disparity and combating corruption within the government. Indeed, "excessive peasants' tax burdens have addressed the highest policy attention and academic curiosity."¹

¹ Justin Yifu Lin, Ran Tao, and Mingxing Liu, "Decentralization and Local Governance in the Context of China's Transition," (accessed on 23 September 2004), available from: <http://www.usc.cuhk.edu.hk/wkgb.asp>;

In contrast, rigorous appraisal of government effectiveness is rare, even though “good and efficient government” is at the top of the agenda. There is still no satisfactory answer to the question “how effective is the government after the reform?” From the perspective of public administration, I attempt to evaluate government effectiveness during the reform era in China, to explore some possible factors related to government effectiveness, and then put forward suggestions for improving government effectiveness.

However, this research does not present the whole story of government effectiveness in contemporary China, given the relatively limited research resources and the length of the thesis. Considering the multi-level nature of Chinese bureaucracy, this study will focus on government effectiveness at the local level, i.e. the district level.² Is there any existing system for evaluating the effectiveness of the district government in China? If this system exists, what are its strengths and weaknesses? In addition, how can I construct indicators to evaluate the effectiveness of the district government? Is the district government effective after reform on the basis of my research results? What might contribute to the effectiveness of the district government? Are there valuable and feasible policies that can improve the effectiveness of local district government in China? These are the research questions I will explore in this study.

Significance of Study

Evaluating the effectiveness of Chinese local government is a new topic for many scholars engaging in public administration research. Their research interests before mainly focus on government reform, local tax reform, the relationship between the

² Under the central government, in China there is a four-level administrative network of provinces, cities/municipalities, counties/districts and townships/towns. The multi-level nature of Chinese bureaucracy frequently causes confusion when people talk about local governance in China, since the level of decentralization and local governance they talk about can range from provincial to township level.

central and local government, government and society and other related topics.³ There are two important limitations of the existing research. Firstly, in the Chinese context, the definition of “government effectiveness” is obscure and unclear as it is confused with definition of “government performance”.⁴ Under this circumstance, this leads to an inaccurate measurement of government effectiveness in some certain cases. It is because performance is a total concept, including all kinds of aspects. Government effectiveness is only an important component of government performance. However, any indicator for evaluating government effectiveness can be treated as one of indicators for evaluating government performance, but any performance indicator cannot be simply regarded as an effectiveness indicator.

Secondly, research on the evaluation of government effectiveness in China is at a nascent stage, which falls into the phase of applying Western theory for explaining Chinese phenomenon. Given the ideas about “new public management” and “evaluation of government effectiveness” are introduced and developed in the recent decade, most policy makers and academic researchers only discuss this issue in theory and their research findings also cannot be empirically tested. Research on government effectiveness in China is lagging behind, compared with the existing research on government effectiveness in Western countries. Given this background, a case study and in-depth analysis on the effectiveness of several individual governments currently

³ The literature in this regard is too numerous to list here. Examples include Peter T.Y. Cheung, Jae Ho Chung and Zhimin Lin, (eds.) *Provincial Strategies of Economic Reform in Post-Mao China* (Armonk: M.E.Sharpe, 1998); David S.G. Goodman and Gerald Segal, (eds.) *China Deconstructs: Politics, Trade and Regionalism* (London: Routledge, 1994); Jia Hao and Li Zhimin, (eds.) *Changing Central-Local Relations In China: Reform and State Capacity* (Boulder : Westview Press, 1994); Kennethal Lieberthal, *Governing China : From revolution through reform*, 2nd ed (New York: W. W. Norton, 2004) and Jean C. Oi, “Two Decades of Rural Reform in China: An Overview and Assessment,” *The China Quarterly*, No. 159 (September, 1999), pp. 616-628.

⁴ For details on this point, please refer to pp. 18-19.

becomes necessary and crucial for future research.⁵ Moreover, due to China's huge size and diversity, the case study approach has important significance and value as it might be more applicable and feasible. But this case study approach also has its own limitations, namely the inability to generalize from my study in Baoji.

In this way, this thesis will provide a brief introduction on Chinese local government and its structure and functions. It will also extensively discuss the effectiveness of the district government. My research is preliminary, but it suggests some directions for the future study on the effectiveness of local governments at district level in China.

My study will also provide some useful information for local governance in China. Chinese governments have initiated measures to improve their work. These measures cover a broad area, which includes the introduction of advanced management methods adapted from private organizations and Western countries, such as performance management and audit system, and the application of customer-orientated services in the management of the public sector. Efficient and effective governments are expected to emerge in China in order to serve the people better, as well as to maintain the CCP's ruling power. In this sense, research on government effectiveness has practical significance. The research findings and policy suggestions in this study would be helpful for Chinese governments to improve their effectiveness and performance. Furthermore, they would have a better understanding of the relationship between the socioeconomic, sociocultural and other factors and government effectiveness in China.

⁵ One question may be raised up here: as China is a communist country, is it appropriate to apply Western theory to explain Chinese phenomenon? We all know China now is underway to a market economy, the current functions of local government are also to provide public service to local people like the ones in Western countries. Since I am supposed to evaluate the government effectiveness in terms of its ability to perform functions, western theory can be applied into Chinese practice in this study. Of course, evaluation indicators will be also constructed based on Chinese specific situation, not following western theory too literally.

Local Government in China

Local Government

Based on the UK experience, local government is defined by John Kingdom as “the self-government of subnational territorial units of the state.”⁶ The origins of local government structure as we all know them today can be traced to 11th century Europe or even earlier. But “the institutions which gave a recognized status to local government in the early Middle Ages in Europe were Teutonic or Germanic: burg, borough, and the French *bourg* from the root meaning ‘protect’ or ‘hide’.”⁷ Town, borough and city all originally denoted fortified enclosures into which the local population could retreat when under external threat. Local authorities thus became the basic element in national systems of government, able to appeal to the courts for their defence if state action conflicted with their constitutional status.⁸

Local government or as in India it is referred to, local self-government, is essentially a form of decentralization.⁹ “Conceptually, it is a multi-dimensional, including social, economic, geographic, legal, political and administrative dimensions.”¹⁰ The political facets of local government present the most distinct dimension of its concept, which is different from government and various other forms of public agencies. In political terms, local government is concerned with the governance of a specific local area constituting a

⁶ John Kingdom, *Government and Politics in Britain: An Introduction*, 2nd ed. (London: Polity Press, 1999), p. 570.

⁷ Alan Norton, *International Handbook of Local and Regional Government: A Comparative Analysis of Advanced Democracies* (Aldershot: Gower Publishing, 1994), p.3.

⁸ *Ibid.*, p.3 and see also John J. Gargan, ed., *Handbook of Local Government Administration* (New York: Marcel Dekker, 1997).

⁹ M.A. Muttalib, “Decentralization: Local Self Government Institutions and Resource Mobilization: The Indian Experience”, in M.A. Muttalib and M.A. Ali Khan, (eds.) *Theory of Local Government* (New Delhi: Sterling Publishers, 1982), pp.172-173.

¹⁰ M.A. Muttalib and M.A. Ali Khan, (eds.) *Theory of Local Government* (New Delhi: Sterling Publishers, 1982), pp.1-3.

political sub-division of a nation, state or other political unit, in other words, acting as one component part of the political mechanism for governance of a country.¹¹ Under the Philippine 1973 Constitution, the criteria used in the creation of the local governments were: (1) population; (2) average estimated annual income for the last three years; (3) land area; and (4) approval of the majority of the votes cast in plebiscite.¹²

Hasnat Abdul Rye claimed that “local government, conceptually, is also multi-dimensional. It is basically an organized social entity with a feeling of oneness.”¹³ Norman Uphoff proposed that “the local governments are elected bodies such as village councils or panchayats, having authority to deal with development and regulatory tasks, accountable to local residents, in contrast to local administration.”¹⁴

From the above, we can conclude that local government has been widely regarded as a form of decentralization, and a unit which has the power granted by the local people to manage local affairs. Additionally, local government is emphasized as an integral part of social system which has grown under the impact of history, culture, polity, economy, and geography of its country by some researchers. More importantly, local government is treated as one component of democracy based on Western democratic theories. The existence of active sub-national governments with the power to run their own affairs is viewed as an important means of maintaining democracy, checking state power and in sharp contrast to the centralization of authority seen in autocratic states.

¹¹ Muttalib, “Decentralization: Local Self Government Institutions and Resource Mobilization: The Indian Experience”, pp.172-173.

¹² Raul P. de Guzman and Perfecto L. Padilla, “Decentralization, Local Government Institutions and Resource Mobilization – the Philippines Experience,” in Muttalib and Khan, (eds.) *Theory of Local Government*, p.141.

¹³ Hasnat Abdul Rye, ed., *Decentralization, Local Government Institutions and Resource Mobilization* (Comilla, Bangladesh: Bangladesh Academy for Rural Development, 1985), p.2.

¹⁴ Norman Uphoff, “Local Institutions and Decentralization for Development,” in Muttalib and Khan, (eds.) *Theory of Local Government*, p. 49.

Local Government in China

The founding of the People's Republic of China (PRC) in 1949 marked a new era of the Chinese history. Like other communist states, China became a one party state which all levels of government officials were nominated and appointed from above by the ruling CCP. Since the power of local government in China directly derives from the central government and local officials are also nominated by their high levels, in reality, local governments and their leaders are held responsible more to upper level governments (and the CCP) rather than to people in their localities.

According to Article 105 in the Constitution of the PRC (amended in 1982), local people's governments at various levels in China are the executive bodies of local organs of state power as well as the local organs of state administration at the corresponding levels. "Governors, mayors and heads of counties, districts, townships and towns assume overall responsibility for local people's governments at various levels."¹⁵ Additionally, Article 55 in the Organic Law of the Local People's Congresses and Local People's Governments of the PRC (amended in 1995) prescribes that the local people's governments at various levels throughout the country shall be state administrative organs under the unified leadership of the State Council and shall be subordinate to it. Therefore, based on the Constitution and other related laws, in China, local government or non-central government, is only an administrative department in local areas, not including local legislative and judicial departments.

Until December 31, 2002, there are altogether 34 local governments at the provincial level, 23 provinces, 5 autonomous regions dominated by the minorities, 4 municipalities directly under the Central Government (Beijing, Shanghai, Tianjin and Chongqing) and

¹⁵ *Ibid.*

two Special Administrative Regions (Hong Kong and Macao).¹⁶ Under the central government in Beijing, there is a four-level administrative network of provinces and equivalents, prefectures or municipalities (cities), counties (also urban districts in large and medium-sized cities), and townships (towns).¹⁷ Based on official data from the Ministry of Civil Affairs of the PRC, below the central government there are altogether 34 provincial level units, 332 prefecture or city level units, 2,860 counties and 44,821 townships at the end of 2002.¹⁸

Regarding the functions of local government in China, Article 59 in the Organic Law of the Local People's Congresses and Local People's Governments of the PRC (amended in 1995) also stipulated clearly as follows:

- 1) to implement the resolutions of the people's congress and its standing committee at the corresponding level as well as decisions and orders of state administrative organs at higher levels, to formulate administrative measures and to issue decisions and orders;
- 2) to direct the work of its subordinate departments and of the people's governments at lower levels;
- 3) to alter or annul inappropriate orders and directives of its subordinate departments and inappropriate decisions and orders of the people's governments at lower levels;
- 4) to appoint or remove personnel in state administrative organs, train them, appraise their performance and award or punish them according to the provisions of the law;
- 5) to implement the plan for national economic and social development and the budget, and conduct administrative work concerning the economy, education, science, culture, public health, physical culture, protection of the environment and natural resources, urban and rural development, finance, civil affairs, public security, nationality affairs, judicial administration, supervision and family planning within its administrative area;

¹⁶ Here, provincial governments in China also include Taiwan.

¹⁷ For details on the structure of local government in China, see Tony Saich, *Governance and Politics of China* (New York: Palgrave, 2001), pp. 141-142.

¹⁸ "Zhonghua remin gongheguo xingzheng quhua tongjibiao," (Statistics of Administrative Divisions of the PRC,) *Ministry of Civil Affairs of the PRC* (accessed on 19 October 2004), translated from Chinese into English, available from: <http://www.xzqh.org.cn/yange/2002/tj.htm>.

- 6) to protect the socialist property owned by the whole people, property owned collectively by working people and citizens' legitimate private property and to maintain public order and safeguard citizens' rights of the person and their democratic and other rights;
- 7) to protect the legitimate rights and interests of various economic organizations;
- 8) to safeguard the rights of minority nationalities and respect their folkways and customs, assist those areas where minority nationalities live in concentrated communities within its sphere of jurisdiction to exercise regional autonomy in accordance with the Constitution and the law and assist the various minority nationalities in their political economic and cultural development;
- 9) to safeguard women's rights as endowed by the Constitution and the law, such as equality with men, equal pay for equal work and freedom of marriage; and
- 10) to handle other matters assigned by state administrative organs at higher levels.¹⁹

From the above, it can be concluded the major task of Chinese local government is to implement policies from the upper levels, conduct local administrative works to manage society. Their activities almost cover all the aspects of people's daily life.

Local government in China differs from local governments in Western democratic countries in many aspects. First of all, from the perspective of legal status, in Western countries local government possesses legal status in the constitution of countries and can exist independently and protect itself from invasion from national power. On the contrary, the power of local government in China directly derives from the central government in Beijing which means the local government is the creature of central government. If necessary and possible, central government can change or dismiss local government at will.

From the structural perspective, in Western countries, based on different situations and needs, different local governments have flexible institutional arrangements and policy priorities. Local officials are elected by local people and then assume responsibility for

¹⁹ *Ibid.*

local people. But, China has a centralized political system with the CCP as the single ruling party. Although the laws prescribe that local governments are subject to local people's congress which produces them, in reality local governments are held responsible more to upper level governments (and the CCP) than to local people as their leaders are appointed and evaluated from above by the higher levels.²⁰ Furthermore, another feature particular to the Chinese bureaucratic system is every central ministry or unit should have subordinate units at each level of administration. In other words, on the basis of department arrangement of the central government, similar counterparts are established to perform the same functions in local regions. Because of the continued predominance of the fundamental principle of democratic centralism (*minzhu jizhongzhi*), which is at the base of China's State Constitution, "these lower levels are always vulnerable to changes in direction and decisions originated at the central level of government."²¹ In this sense, all local organs are essentially extensions of central government authorities and thus are responsible to the "unified leadership" of the central organs.²²

Finally, from the functional perspective, the aim of local government itself in Western countries is to provide basic public services in local regions independently. It has its own taxation and budget, and delivers fundamental services to local people, such as education, entertainment, environment, housing and traffic, and so on. However, in China, due to

²⁰ Justin Yifu Lin, Ran Tao, and Mingxing Liu, "Decentralization and Local Governance in the Context of China's Transition," (accessed on 23 September 2004), available from: <http://www.usc.cuhk.hk/wkgb.asp>.

²¹ Democratic centralism is a system through which the people influence the policies of the government and party members influence the policies of the party; while the government and party maintain centralized administrative power to carry out the policies demanded by their constituents. Within both representative and executive organizations, the minority must abide by the decisions of the majority, and lower bodies must obey the orders of the higher level organizations. The concept, derived from the organizing principles of the Communist Party of the Soviet Union, was called for as early as 1928 by Mao Zedong. (accessed on 27 July 27, 2005), available from: http://lcweb2.loc.gov/frd/cs/china/cn_glos.html.

²² "Local Administration," (accessed on 19 October 2004), available from: <http://reference.allrefer.com/country-guide-study/china/china297.html>.

limited fiscal revenue and unclear identification on government functions between levels of government, the local government, especially below the provincial level always shares responsibilities with other levels of government in many functional areas, such as land management and environmental protection.

Effectiveness of Local Government

Effectiveness

For this thesis, “effectiveness” is defined as the degree of goal achievement. It is the degree to which one organization realizes its goals, and it is appraised in accordance with the extent to which the output of an organization has fulfilled the desired goal(s) and objective(s).²³ It is result-oriented. Progress can be made towards measuring effectiveness only in those areas where there is an agreement on what a desired goal or outcome is. However, the objectives of services may vary among different stakeholders. Different people from various perspectives may have diverse ideas about what the organization exists for, namely what its missions are. As Peter Jackson says:

Because different stakeholders have different interests in the performance of public sector departments, the stakeholder approach helps to force the question ‘whose value for money is being considered?’ Value for money will mean different things for different individuals. Often these different perspectives will come into conflict and will need to be

²³ Researchers listed here all defined “effectiveness” in goal approach, for the details, see Amitai Etzioni, *Modern Organizations* (Englewood Cliffs, NJ: Prentice Hall, 1964), p. 6; C. Y. Wu, “Defining Concepts of Performance in Development Effectiveness, Profitability and Productivity,” *Philippine Journal of Public Administration*, Vol.17, No. 3 (1973), p. 295; Robert C. Fried, *Performance in American Bureaucracy* (Boston: Little, Brown and company, 1976), p. 55; James L. Mercer and Edwin H. Koester, *Public Management System* (New York : AMACOM, 1978), p. 51; Ralph C. Bledsoe, “Effectiveness and Productivity in Public Organizations,” in *Handbook of Organization Management*, ed. William B. Eddy (New York : M. Dekker, 1983), p. 228; Jon S.T. Quah, “Improving the Efficiency and Productivity of the Singapore Civil Service,” in *Asian Civil Service Systems: Improving Efficiency and Productivity*, ed. John P. Burns (Singapore: Times Academic Press, 1994), p. 154; Paul D. Epstein, *Using Performance Measurement in Local Government: A Guide to Improving Decisions, Performance, and Accountability* (New York, N.Y.: Van Nostrand Reinhold, 1984), p. 11; Les Metcalfe and Sue Richards, *Improving Public Management* (London: Sage Publications, 1987), pp. 28-30; Norman Flynn, *Public Sector Management*, 3rd ed. (New York: Prentice Hall, 1996), pp. 176-178.

resolved. This is the business of politics. Value for money is not a technocratic value-free concept.²⁴

Usually organizations have many goals, such as official and operative ones. More importantly, these goals may change over time and transform several times in the process as they are in direct or indirect interaction with the environment and internal changes. Hence, “what does the organization exist to do?” may have changing answers.²⁵ The first task to assess the effectiveness of the organization is admittedly to reach an agreement on the purpose of the organization.

Efficiency, economy and performance, as other indicators to measure the activities of organizations, have different meanings with effectiveness. Taking efficiency first, “the generic definition is the ratio between outputs and inputs.”²⁶ It is doing the job at the lowest cost or cost-oriented, compared with effectiveness, which is result-oriented. “Improvement in efficiency may be achieved by increasing outputs relative to inputs, reducing inputs relative to outputs or, ideally, doing both at the same time.”²⁷ In their study of municipal government performance, Ridley and Simon defined efficiency as: “the efficiency of administration is measured by the ratio of the effects actually obtained with the available resources to the maximum effects possible with the available resources.”²⁸

²⁴ Flynn, *Public Sector Management*, p. 178.

²⁵ *Ibid.*, p. 178.

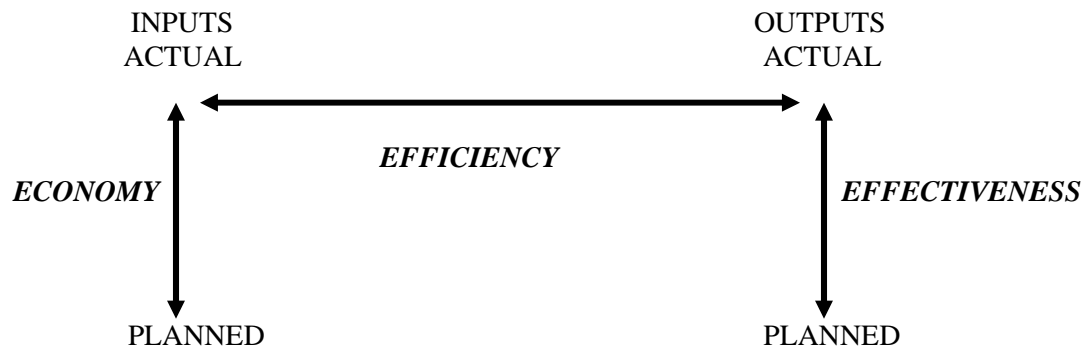
²⁶ Metcalfe and Richards, *Improving Public Management*, p.30.

²⁷ *Ibid.*, p.30.

²⁸ Clarence E. Ridley and Herbert A. Simon, *Measuring Municipal Activities: The Survey of Suggested Criteria for Appraising Administration* (Chicago: International City Managers' Association, 1943), p.2. The first edition of this book, published in 1938, was drawn from monthly articles serialized in *Public Management*, The ICMA magazine.

Within this framework, “greater economy is achieved by making savings in actual resource inputs relative to planned resource inputs”.²⁹ At its simplest, measuring economy looks at how much money was used up and how money is spent by the organization over a period. Figure 1.1 illustrates the distinction between these three definitions above.

Figure 1.1 Distinction between Economy, Efficiency and Effectiveness



Source: Les Metcalfe and Sue Richards, *Improving Public Management*, (London: Sage Publications, 1987), p. 29.

Performance, it is a key research problem of the public administration and it is a primary criterion for judging public organizations and systems. Performance is a total concept, including all kinds of aspects. The problems of performance comprise the evaluation of past performance, appraisal of existing administrative capacity, and estimation of future performance. In addition, “it also includes political performance, economic performance, and social performance”.³⁰ In view of its complexity and multi-dimensional character, there is no single way to appraise the performance of public organization or larger systems. Performance has both quantitative and qualitative aspects.

²⁹ Metcalfe and Richards, *Improving Public Management*, p.30.

³⁰ Gerald E. Caiden, “Assessing State Performance,” in *Politics and Administration in Changing Societies: Essays in Honour of Professor Fred W. Riggs*, ed. Ramesh K. Arora (New Delhi: Associated Publishing House, 1992), p. 128.

There are many indicators to measure performance, including economy, efficiency, profitability, effectiveness, equity and flexibility.

Indicators for Evaluating Government Effectiveness

Once the problems of defining the desired goals or outcomes have been solved, we can choose valid and reliable indicators to evaluate government effectiveness.

From an applied perspective, in Singapore and New Zealand, governments use outcomes, namely social and economic conditions which a policy through its outputs is intended to address to measure government effectiveness.³¹ In this way, “outcome assessment then becomes the most difficult aspect of performance assessment since outcomes are not easily commensurable and also may be influenced by other factors outside the control of a department”.³² Under this kind of circumstance, it is doubtful whether what is being measured can be done precisely and accurately. Therefore, the accuracy and precision of measurement may not be guaranteed.

Moreover, in the World Bank Governance Research Indicators Project done in 2002, scholars organized governance data in 20 cross-country surveys from firms, commercial risk-rating agencies, think-tanks, government agencies and international organizations into six clusters corresponding to the definition of governance: voice and accountability, political stability and lack of violence, government effectiveness, regulatory quality, rule of law and control of corruption. And then they gave a ranking about government

³¹ David S. Jones, “Uses and Limitations of Performance Measurement in the Civil Service: An assessment from the Singapore and New Zealand Experience,” *Asian Journal of Political Science*, Vol. 8, No.2, (December 2000), p. 117; see also Andrew Kibblewhite, “Effectiveness: The Next Frontier,” paper given to the workshop, New Zealand Public Management: Lessons Learned and Future Development, p. 4.

³² Jones, “Uses and Limitations of Performance Measurement in the Civil Service: An assessment from the Singapore and New Zealand Experience,” p. 117.

governance for 199 countries.³³ Government stability, quality of bureaucracy, institutional failure and efficiency, policy consistency and forward planning, bureaucracy delays, trust in police, efficiency in policy implementation and many other indicators are used to measure government effectiveness.³⁴ From Table 1.1 below, we can see the specific scores about six aspects of the Chinese governance in 2002.

Table 1.1 Governance Indicators for China

Governance Indicator	Year	Percentile Rank (0-100)	Estimate (-2.5 to + 2.5)	Standard Deviation	Number of surveys/ polls
Voice and Accountability	2002	10.1	-1.38	0.17	9
Political Stability	2002	51.4	+0.22	0.20	9
Government Effectiveness	2002	63.4	+0.18	0.15	9
Regulatory Quality	2002	40.2	-0.41	0.17	8
Rule of Law	2002	51.5	-0.22	0.13	12
Control of Corruption	2002	42.3	-0.41	0.15	10

Source: Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi, "Governance Matters III: Governance Indicators for 1996-2002," *World Bank Policy Research Working Paper* (accessed on 10 December 2004), http://info.worldbank.org/governance/kkz2002/sc_chart.asp.

Indicators used for this research project are concrete and helpful. However, three important problems still exist. First, it is the way researchers collected data. They listed indicators in the questionnaire to ask the public to choose. If surveys are not allowed to evaluate government effectiveness, then which methods and data can we use? The second one is that the objective of government is not only to provide services to the public, but also to assure to provide high-quality public services not at the expense of high administrative expenditure. Therefore, citizen perception alone is not enough to be used for assessing government effectiveness. We should clearly examine administrative cost of

³³ Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi, "Governance Matters III: Governance Indicators for 1996-2002," *World Bank Policy Research Working Paper* (accessed on 11 October 2004), for data, full paper, further details, references, see <http://www.worldbank.org/wbi/governance>.

³⁴ *Ibid.*

the government, that is, how much local people pay for the public services. Lastly, we can apply citizen satisfaction to assess government effectiveness only when the government is a representative and democratic one and officials are elected by the public. Thus, for those autocratic regimes, officials are not elected by citizens, whether this measure is appropriate or valid is still a problem.

Table 1.2 Indicators of Government Effectiveness in Italy

	Indicators	
Policy Process	1. Cabinet stability 3. Statistical and information services	2. Budget promptness
Policy Pronouncement	4. Reform legislation	5. Legislative innovation
Policy Implementation	6. Day care centers 8. Industrial policy instruments 10. Local health unit expenditure 12. Bureaucratic responsiveness	7. Family clinics 9. Agricultural spending capacity 11. Housing and Urban Development

Source: Robert. D. Putnam, *Making Democracy Work: Civic Tradition in Modern Italy* (Princeton: Princeton University Press, 1993), pp. 65-73.

In his well-known book *Making Democracy Work*, Professor Robert D. Putnam argued that any serious measurement of government effectiveness must meet four severe tests: “it must be comprehensive, internally consistent, and reliable and also correspond to the objectives and evaluations of the institution’s protagonists and constituents”.³⁵ An institution’s effectiveness depends, first of all, on how well it manages its essential affairs, then how well it identifies social needs and legislates, finally, how well it implements policies or programs.³⁶ Table 1.2 shows his twelve indicators in detail.

³⁵ Robert. D. Putnam, *Making Democracy Work: Civic Tradition in Modern Italy* (Princeton: Princeton University Press, 1993), pp. 64-65.

³⁶ *Ibid.*, pp.64-65.

When evaluating government effectiveness in Italy, Putnam emphasizes that “researchers must measure actions, not just words, and be careful not to give governments credit (or blame) for matters beyond their control”.³⁷ Furthermore, he uses “institutional performance” and “institutional effectiveness” essentially as synonyms. Although one might find some conceptual differences between the two terms, from his point of view, these differences are slight. Putnam does not intend to use them as different concepts. His research is excellent for his research design and convincing conclusions. Nevertheless, we have to keep in mind that the evaluation indicators are different in diverse contexts and we cannot use his list of effectiveness indicators literally as different local governments in other countries have different powers, responsibilities and competencies.

Although research on the effectiveness of democratic governments has achieved great progress in Western countries, this topic is still new for most scholars engaged in Chinese public administration research. Especially, research on assessing government effectiveness with quantifiable and reliable indicators is rare. Only King Wai Chow’s PhD dissertation introduced the performance appraisal system of Chinese state administration from the perspective of theory and practice, however, it is less helpful for my research as his data and interviews were done in the early 1980s, and the evaluation system has changed considerably over the past twenty years.³⁸ Additionally, there are many researchers engaging in the study of political leaders’ performance in China and possible factors which may relate to leaders’ performance, including Susan H. Whiting,

³⁷ *Ibid*, pp. 64-65; also see J.Roland Pennock, “Political Development, Political Systems, and Political Goods,” *World Politics*, Vol.18, No.2 (April 1966), p. 421.

³⁸ King Wai Chow, “The Performance Appraisal System of The Chinese State Administration” (PhD dissertation, The University of Texas at Austin, 1984).

Maria Edin, Pierre F. Landry, Kevin J. O'Brien, Li Lianjiang, Huang Yasheng and Bo Zhiyue.³⁹

Furthermore, when concentrating on the literature written in Chinese, I found out that few scholars pay attention on the effectiveness of local government. Based on the literature on hand, the definition on government effectiveness is still not clear. Some researchers treat “effectiveness” and “efficiency” as synonyms while others cannot distinguish “effectiveness” from “performance”.⁴⁰ In addition, in some papers “government effectiveness” almost has the same meaning with “government capacity”, that is, government’s ability to manage public affairs and interior operation.⁴¹ To sum up, in the literature in Chinese, government effectiveness is defined in an obscure and multi-dimensional way.

³⁹ The generic term used to refer to a government official in China is a cadre. In addition, about research on performance of local cadres and some possible factors which may influence on their performance, see Susan H. Whiting, *Power and Wealth in Rural China: the Political Economy of Institutional Change*, (Cambridge: Cambridge University Press, 2001), pp. 100-118; Maria Edin, “State Capacity and Local Agent Control in China: CCP Cadre Management from a Township Perspective,” *The China Quarterly*, No. 173 (March 2003), pp. 35-52; Maria Edin, “Remaking the Communist Party-State: The Cadre Responsibility System at the Local Level in China,” *China: An International Journal*, Vol. 1, No. 1 (March 2003), pp. 1-15; Pierre F. Landry, “Controlling Decentralization: The Party and Local Elites in Post-Mao Jiangsu” (PhD dissertation, University of Chicago, 2000); Pierre F. Landry, “The Political Management of Mayors in Post-Deng China” in *The Copenhagen Journal of Asian Studies*, Vol. 17 (2003), pp. 31-58; Yasheng Huang, “Administrative Monitoring in China,” *The China Quarterly*, No. 143 (September 1995), pp. 828-843; Yasheng Huang, “Managing Chinese Bureaucrats: An Institutional Economics Perspective,” *Political Studies*, Vol. 50, (2002), pp. 61-79; Tony Saich and Xuedong Yang, “Innovation in China’s Local Governance: ‘Open Recommendation and Selection’,” *Pacific Affairs*, Vol. 76, No. 2 (Summer 2003), pp. 185-208; Kevin J. O’Brien and Lianjiang Li, “Selective Policy Implementation in Rural China,” *Comparative Politics*, Vol. 31, No. 2 (January 1999), pp. 158-186; Zhiyue Bo, *Chinese Provincial Leaders: Performance and Political Mobility since 1949* (Armonk: M.E. Sharpe, 2002).

⁴⁰ Jianhua Li and Weiguo Guo, “Guande yu zhengfu xiaoneng,” (“Ethics of Officials and Government Effectiveness,”) *Renshi yu rencai*, (*Personnel and Intellectuals*), Vol. 9, (2000), pp. 31-34; Jianguang Cao, “Zhengfu chaoshi – zhengfu xiaoneng jianshe de yizhong changshi jiqi qishi,” (“Government Supermarket – An attempt and Implication of Government Effectiveness Construction,”) *Journal of Fujian School of Administration and Fujian Institute of Economics and Management*, No.4, (2001), pp. 18-21.

⁴¹ Mingquan Xu, “On the Three Major Sectors of the Government Efficacy Construction,” *Journal of Fujian School of Administration and Fujian Institute of Economics and Management*, No.4, (2001), pp. 30-33; Zebao Guo, “Probe on Some Issues Regarding Government’s Efficacy,” *Journal of Fujian School of Administration and Fujian Institute of Economics and Management*, No.4, (2001), pp. 6-9; Hongjun Su, “Ruhe tigaoxianji zhengfu xiaoneng,” (“How to Improve Government Effectiveness in the County Level,”) *Technoeconomics & Management Research*, No.4, (1996), p. 27.

A new evaluation system on the performance of local governments at various levels was just drafted in 2004 by the Personnel Ministry of the PRC that may result in rankings for cities that are similar to those of the universities. Table 1.3 below will show 33 indices of the new performance evaluation system. As China now is underway to a market economy, essentially a government is not to control society but to provide service to the public. Therefore, as the director of this research project produced by Personnel Ministry, Sang Zhulai said, “government’s performance should be evaluated through whether the public -- individuals, enterprises and society as a whole -- is satisfied with that service”.⁴² The "principle of satisfaction", supposed to be the final system for governmental performance appraisal, includes: economic evaluation, which requires the government to establish awareness of cost, save expenditure, spend less on doing more; “efficiency examination is the ratio of the government's input to the output; effectiveness evaluation is concerned about the quality of organization and the final effect on the society, and more importantly, effectiveness should be represented through people being satisfied and the social and economic development; equality focuses on whether the collective and individuals receiving services are treated equally and whether the minority groups are receiving more services”.⁴³

⁴² “China Sets Yardsticks on Gov't Performance,” (accessed on 15 September 2004), available from http://service.china.org.cn/link/wcm/Show_Text?info_id=102793&p_qry=government%20and%20effectiveness%20and%20china

⁴³ “Government Performance Yardsticks Set,” (accessed on 15 September 2004), available from http://service.china.org.cn/link/wcm/Show_Text?info_id=102910&p_qry=government%20and%20effectiveness%20and%20china

Table 1.3 Performance Evaluation System on Local Governments at various levels in China

Government performance	Primary Indices	Secondary Indices	Tertiary Indices
	Effect	Economy	Per capita GDP Labor productivity Ratio of external investment to GDP
		Society	Average life expectancy Engel's Coefficient Average education received
		Population and environment	Environment and ecology Proportion of non-rural population Natural growth rate of population
	Function	Economic adjustment	GDP growth rate Urban registered unemployment rate Fiscal revenue and expenditure
		Market monitoring	Improvement of laws Law enforcement Enterprise satisfaction
		Social management	Ratio of the poor to the aggregate population Crime rate Traffic and industrial accident fatality rate
		Public service	Infrastructure Information transparency Public satisfaction
		State asset management	Rate of value added and guaranteed in state-owned enterprises Ratio of other state assets to GDP Growth rate of profits realized by state-owned enterprises
	Potential	Human resources	Proportion of administrative staff with bachelor's degrees Leadership team-building Strategic human resource planning
		Clean government	Ratio of corruption cases to administrative staff Working style of officials Citizen appraisal
		Administrative efficiency	Ratio of administrative funding to fiscal expenditure Ratio of administrative staff to aggregate population Level of information management

Source: "Government Performance Yardsticks Set," (accessed on 15 September 2004), available from http://service.china.org.cn/link/wcm/Show_Text?info_id=102910&p_qry=government%20and%20effectiveness%20and%20china.

Regarding indicators for evaluating government effectiveness, based on the literature review above, we can conclude that the list of measures for evaluating effectiveness should be comprehensive, including indicators of all the main spheres of activity of local government. Citizens and leaders in the government should broadly agree that the list of measures corresponds to the important tasks of the government; even though they might differ on the priorities among those tasks. We should be cautious to select indicators as functions and goals of governments may vary under different circumstances. Eventually, these measures should be “convergent” or mostly correlated with each other. If the indicators are not correlated with one another, this implies that government effectiveness is multi-dimensional.

Explaining Government Effectiveness

There are three major categories of factors used for explaining government effectiveness based on Putnam. These are institutional design, socioeconomic and sociocultural factors.⁴⁴ Additionally, researchers argue that the extent of education and urbanization, social and personnel stability, and other possible factors might also affect government effectiveness in some cases. However, whether these findings above which are applicable for western countries, are also universal for all of the countries around the world is quite doubtful, and needs to be further verified.

Besides all the factors that Putnam has summarized in his book, recently in the *Global Competitiveness Report 2003-2004*, after examining global data, researchers found there is a small but significant correlation between legal origins (civil law, common law,

⁴⁴ For details, see Putnam, *Making Democracy Work: Civic Tradition in Modern Italy*, pp.83-120.

German law or socialist law) and governance performance today.⁴⁵ Meanwhile, “government performance at the city level is aided by the extent of the country’s globalization and urbanization path (controlling for income level)”.⁴⁶ It means for some cases, the extent of urbanization and globalization may have a positive effect on city governance performance.

In the Chinese context, transforming and redefining government functions in the new reform era have been widely treated as the most important step towards improving government effectiveness and its performance by policy makers and academic scholars.⁴⁷ The other factors can be classified into four categories: (1) leadership, including leadership style, skills, behavior and characteristic; (2) civil servants, such as their quality, quantity and working efficiency; (3) institutional problems, for example, lack of checking systems and unclear government functions; (4) sociocultural factors and mores of a society.⁴⁸

Research Design

Reasons for Choosing Baoji City

⁴⁵ World Economic Forum, *The Global Competitiveness Report 2003-2004* (New York: Oxford University Press, 2004), p. 147.

⁴⁶ *Ibid.*, p. 154.

⁴⁷ The literature review on the government effectiveness in China can be found in Chapter 2.

⁴⁸ Jundeng Li, “Youhua zhiyue yinsu, tigao zhengfu xiaoneng,” (“Optimize Restricting Factors to Improve Government Effectiveness,”) *Xingzheng Gaige (Administrative Reform)*, No.6, (2000), pp. 8-10; Zebao Guo, “Tuijin xingzheng tizhi chuangxin, shenhua zhengfu xiaoneng jianshe,” (“Promoting Administrative System Innovation and Government Effectiveness Construction,”) *Journal of Fujian School of Administration and Fujian Institute of Economics and Management*, No.2, (2002), pp. 33-36; Hongjun Su, “Ruhe tigaoxianji zhengfu xiaoneng,” (“How to Improve Government Effectiveness in the County Level,”) *Techmoeconomics & Management Research*, No.4, (1996), p. 27; Zongping Wang, “Qiantan zhengfu xiaoneng jianshe,” (“Exploring on Government Effectiveness Construction,”) *Tansuo yu qiushi (Exploring)*, No.12, (2002), p. 31.

My research concerns an evaluation of the effectiveness of local district government. Two districts of Jintai and Weibin in Baoji City are selected to conduct my research.⁴⁹

Baoji City is located in the western part of Shaanxi Province. It is near Xi'an, the capital of Shaanxi Province in middle China. There are three reasons for choosing Baoji City as my case study. Firstly, it has medium rank in China in terms of the level of economic development. Baoji City can be regarded as a typical medium-sized city in China in many aspects, including its economy and population. Research results therefore have useful reference to other city governments in China. Secondly, Baoji City was selected to carry out tentative reform programmes like "the comprehensive economic system reform", "the reform of organization", "financial reform" and "the reform to optimize capital structure" after the adoption of the policy of Reform and Opening-up from 1980s to 1990s.⁵⁰ It is one of the first pilot cities for many important reforms in China. Accordingly, through analyzing government effectiveness in Baoji City, policy suggestions derived from it will be more valuable for other local governments in China too. Finally, I selected Baoji City to conduct my study because of the availability of information.

Measurement of Government Effectiveness

When the missions or objectives of two district governments are identified, looking for appropriate indicators to evaluate the effectiveness of these two district governments become the major task.

⁴⁹ Jintai District and Weibin District are the only two districts in Baoji City before May, 2003. Another new Chencang District was established in May, 2003.

⁵⁰ "An Economically Soaring City---Baoji," (accessed on 13 October 2004), available from: <http://www.baojitravel.gov.cn/index/english/brief/index.htm>.

My evaluation of government effectiveness not only measures governments' words or objectives in the documents, but also their actions since we should be careful not to give government credit (or blame) for matters beyond their control.⁵¹ This is because social outcomes are influenced by many factors other than government. Due to different situations in various areas, both output and outcome measures are implied into the study.

After reviewing government functions and the official system for assessing government effectiveness in Baoji, I will evaluate the effectiveness of the two district governments in terms of their ability to perform functions and examine the extent of their goal attainment. Since "economic development, reform, public security and provision of high-quality social services" are the most important missions of the Jintai and Weibin District Governments, my own indicators and system are constructed to focus on these four important government objectives. Fifteen indicators are developed for assessing the effectiveness of the two district governments. Meanwhile, Qualitative and quantitative methods are combined together in my research to achieve a relatively valid measurement, compared with the existing practice in Baoji City.

Methodology

The case study and in-depth analysis are the methods I applied to my research. In order to acquire enough information for this research, during July to mid-August 2004, I spent almost one and half months staying in Baoji City to do my fieldwork. Altogether, I conducted 13 formal interviews with local government officials and had many informal conversations with local people. Data used for evaluating the effectiveness of the two

⁵¹ Putnam, *Making Democracy Work: Civic Tradition in Modern Italy*, pp. 64-65; also see Pennock, "Political Development, Political Systems, and Political Goods", p. 421.

district governments (Jintai and Weibin) are mainly from *Baoji City Statistical Yearbook* from 1999-2003 and *Baoji Yearbook* from 1999-2004. Besides, other important data were provided by some relevant administrative departments in Baoji City, such as Personnel Bureau, Civil Affairs Bureau, Police Bureau and Legislation Office.

Although my fieldwork was conducted in middle 2004, I will focus on the period from 1998-2002 to do my research. It is because the establishment of a new Chencang District in May 2003 in Baoji City affected the distribution of land and population in other two districts of Jintai and Weibin I had chosen. This made the analysis results about these two districts, such as per capita GDP, incomparable from 2003.

Organization of the Thesis

My thesis consists of four chapters. The first chapter defines the research question, provides a review of the literature on the Chinese local government and government effectiveness, and describes the research design. The second chapter describes the context in Baoji City, such as its history, geography, population and society, and introduces the structure and functions of local governments. The third chapter is the most important part of the thesis. After reviewing the official system for evaluating government effectiveness in Baoji City, I construct my own indicators for assessing the effectiveness of two district governments of Jintai and Weibin. In Chapter four, I examine some possible factors related to government effectiveness and propose five policy suggestions.

Chapter 2 Functions of Two District Governments in Baoji City

This chapter focuses on the role of two local governments at the district level in Baoji City. It begins by providing background information on Baoji City and Baoji Municipal Government. After that, a detailed description of the structure and functions of Jintai and Weibin District Governments in Baoji City further illustrates the power and activities of the authority. This background information and analysis of the functions of local governments in Baoji City will enable us to assess and analyze the government effectiveness in the next chapter.

Background Information on Baoji City

The city of Baoji has existed as far back as 2000 B.C. Historically, it was the hometown of Chinese ancestor Emperor Yan. Accordingly, this area and the Xi'an area are regarded as the birthplace of the Han Chinese People- and of China itself. China grew from these areas and spread out across the land to cover its current domain. In the 350 B.C, this area was established as a city and named Chencang. Chencang became the cradle of the Zhou and Qin dynasties, as well as their major cultural centres. "Baoji City (which means "precious chicken" or "treasured rooster" in Chinese) received its current name under the Tang Dynasty (A.D 618-906)."¹ Until the name changed in the 1950s, Baoji was called Pao-chi or Paoki. Due to its long history, Baoji City is rich in historic relics. With more

¹ "About Baoji," (accessed on 14 October 14, 2004), available form: <http://www.emporis.com/en/wm/ci/?id=107107>.

than 50,000 bronze wares unearthed, Baoji has earned the fame of being the Home of Bronze Wares in China.²

Baoji City is 156.6 kilometres long from east to west, 160.6 kilometres wide from north to south. It covers a total area of 18,172 square kilometres with a total population of 3,740,000 at the end of 2003.³ Additionally, it has a floating population of 51 thousand and 22.4 percent of registered urban residents.⁴ Based on the 1990 national population census, 99.44 percent of the whole population in Baoji city is Han Chinese.⁵

The geographical conditions of Baoji city are quite favourable (see attached Map 2.1 and Map 2.2). “Situated at the west of Shaanxi Province and the juncture of Shanxi, Gansu and Sichuan Province, Baoji City was an important stop and a major commerce centre on the ancient Silk Road, attracting a large number of businessmen since the old times.”⁶ Located on the Wei River in Southwest Shaanxi, Baoji City has been developed as an important railway junction and centre after 1937 in western part of China. Three famous railways, Longhai, Baocheng, Baozhong, also meet there. It is also a hub of communication between the southwest and the northwest of China.⁷ Highways radiate in all directions, forming a network of four main highways and 110 branch roads linking Xi'an (the capital of Shaanxi Province) in the east, Lan Zhou (the capital of Gansu Province) in the west, Yin Chuan (the capital of Ningxia Province) in the north and

² “An Economically Soaring City---Baoji,” (accessed on 13 October 2004), available from: <http://www.baojitravel.gov.cn/index/english/brief/index.htm>.

³ “Baoji City,” (accessed on 14 October 14, 2004), available from: <http://www.allnet.cn/english/0202.htm>.

⁴ Statistics Bureau of Baoji Municipal Government, *Baoji Statistical Yearbook*, 2003, pp. 5-6.

⁵ Office of Baoji Local Chronicles, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999, p. 296.

⁶ “Baoji Introduction,” (accessed on 13 October 2004), available from: <http://www.gotravel.com.cn/eng/cities/shaanxi/01.htm>.

⁷ “An Economically Soaring City---Baoji,” (accessed on 13 October 2004), available from: <http://www.baojitravel.gov.cn/index/english/brief/two.htm>.

Cheng Du (the capital of Sichuan Province) in the south. It is only 2 hours driving from Xi'an International Airport along the Xibao highway.

“Baoji is the second largest city in Shaanxi Province and owns the fourth largest economy amongst the five provinces in the Northwest China.”⁸ With a strong industrial base, the city boasts 1,854 enterprises in the industries of machinery, building electronics, food, light industry, textile, chemical industry and building materials, occupying a capital of RMB 18.2 billion, employing 400 thousand workers and producing over 500 kinds of products, among which more than 180 kinds are exported to 50 countries and regions.⁹ Baoji City has consistently achieved high economic growth rate. In 2003, GDP in Baoji City reached RMB 21.61 billion. Its annual economic growth rate was 12.6%, which was the highest from 1994. And its local financial revenue captured RMB 1.06 billion with an annual growth rate of 14.1 percent in 2003.¹⁰

Baoji Municipal Government

Before 2003, Baoji Municipal Government consists of two subordinate governments at the district level (Jintai and Weibin) and ten subordinate governments at the county level (Baoji, Fengxiang, Qishan, Fufeng, Meixian, Longxian, Qianyang, Fengxian, Taibai and Linyou). In May 2003, after the State Council made the adjustment to the administrative division of Baoji City, the dissolution of Baoji County was approved and Chencang

⁸ “An Economically Soaring City---Baoji,” (accessed on 13 October 2004), available from: <http://www.baojitravel.gov.cn/index/english/brief/index.htm>.

⁹ “Baoji City, Shaanxi,” (accessed on 14 October 14, 2004), available form: http://en.townsfuture.com/e_version/city_introduce/shaanxi/c721000001.htm.

¹⁰ Statistic Bureau of Baoji City, *2003 Baojishi guoming jingji he shehui fazhan tongji gongbao* (*Statistic Gazette of Economy and Social Development of Baoji City in 2003*) translated from Chinese to English, 2004. From 1998-2004, the renminbi (China CNY or renminbi) is traded roughly in a narrow floating range between RMB 8.27 and 8.28 yuan to the US dollar.

District was established. Thus, Baoji Municipal Government currently comprises three district governments (Jintai, Weibin and Chencang) and nine county governments. There are 138 towns and townships, 15 street offices, 178 neighbourhood committees and 2046 village committees.¹¹

Baoji Municipal Government launched its organizational reform in 2001 aiming to reduce the workforce and government's interference in the day-to-day management of social and economic affairs. The number of the subordinate departments of Baoji Municipal Government was reduced from 57 to 34 with about 40 percent reduction (see Appendix 1 and 2). And the number of administrative staff was also decrease by 26 percent.¹² As a transitional arrangement, many specialized economic department were downgraded and placed under the management of the Commission of Economy and Trade, such as Commerce and Industry Office, Light Industry Bureau and Heavy Industry Bureau. On the one hand, the government is pushing for the development of a market economy, but while the market mechanism remains immature, it is still looking for ways to transform department functions and oversee market and industry. On the other hand, the powers of these specialized departments were reduced in order to prevent their future growth. In this sense, they eventually would be amalgamated into the larger Commission. Besides, some administrative departments were reorganized to meet the objective of

¹¹The township and the street office can be viewed as independent governments at the same level in China, below the provincial, municipal, county or district governments. Traditionally, the township government is located in the rural areas while the street office is located in the urban areas. Concerning the neighbourhood committees (originally known as the *Juweihui*, recently reformed and called *Shequ*), they are the lowest administrative units in urban China and keeps updated records of all residents in their geographically defined neighbourhood. The village committees, the most grassroots mass organization in rural areas, govern the most important life and production elements, including money, grain, houses and land. Data from Statistics Bureau of Baoji Municipal Government, *Baoji Statistical Yearbook*, 2003, p. 1.

¹² Baoji Municipal Government, Reform Scheme of Baoji Municipal Government (Baojishi jigou gaige fangan), June 2001.

changing the government function.¹³ Departments performing similar tasks were merged with the purpose of reducing the workforce burden, overlapping functions and hierarchical redundancy. For example, the Prices Bureau and Investment Promotion Bureau were merged with the Commission of Development and Planning.

With regard to the functions of Baoji Municipal Government, as well as Jintai and Weibin District Government, it can be expected that they should be in accordance with ten specific functions stipulated in the Organic Law of the Local People's Congresses and Local People's Governments of the PRC (amended in 1995).¹⁴ Their basic functions include implementing the resolutions from the upper levels, directing the work of its subordinate departments and governments, implementing the plan for national economic and social development, and conducting administrative work and providing social services to the local people.

Based on Baoji City Government Work Report, summaries about its development goal from 1998-2002 can be gleaned as follows: developing “Four Cities” (strong industrial city, strong stockbreeding city, famous travelling city and modern garden city) is the main theme, striving to deepen and widen the reform and open-up, expanding the scale of investment, expediting the reform of state-owned enterprises, promoting the development of non-public economic sector and developing education, technology, health, culture and other social matters.¹⁵ It is manifested that among all the government functions, the most

¹³ Che-po Chan and Gavin Drewry, “The 1998 State Council Organizational Streamlining: Personnel Reduction and Change of Government Function,” *Journal of Contemporary China*, Vol. 10, No. 29, (November 2001), pp. 553-572.

¹⁴ For the functions of local government in China in detail, see Chapter 2, pp. 15-16.

¹⁵ Government work report is very important as it provides clues to the functions and objectives of local governments. Usually it is addressed by the leader of the local government in January or February of every year, like the governor or the head. It mainly consists of two parts: one annual working summary for the last one year, including the development condition in local region, the achievement and shortcomings of government work; another one is a working plan for the next year, including government objectives or

important task for Baoji Municipal Government in the past five years is to promote economic development.¹⁶ Baoji Municipal Government plays a very important role in promoting the development of local economy, especially during the earlier period of China's transition to a fully-fledged market economy, as claimed by many scholars doing research on Chinese local governments. "Its activities may include transferring governmental functions to help the development of rural industries, seeking projects for enterprises, resolving the problem of shortage of special personnel for enterprises, providing credit guarantees for the management of indebted enterprises, improving infrastructure, opening overseas markets, fostering backbone enterprises, establishing enterprise groups, and developing economy of scale."¹⁷

With reference to the argument claimed by Jean Oi, "China's distinct state-led growth form can be viewed as Local State Corporatism where local governments fostered and supported these enterprises within their administrative purview and treated them as one component of a larger corporation".¹⁸ My fieldwork trip also justified and reinforced Oi's arguments as I heard and witnessed many similar events. Baoji Municipal Government,

goals, development strategies and some concrete measures. So, when evaluating government effectiveness, government work is crucial as it can help us to identify their objectives or missions clearly and quickly. See Baoji Municipal Government, *Baoji City Government Work Report from 1998-2002*.

¹⁶ See Qiming Han and Xianke Yun, "Juesheng zai silu, fazhan kao chuangxin-Baojishi Jianxing kexue fazhanguan jishi," (Success relies on the Way of Thinking and Social Development Depends on Innovation-Report on the Development of the Idea of "Scientific Development" in Baoji City), *Baoji Daily*, (accessed on 3 June 2005), written in Chinese, available from: <http://www.baojidaily.com/show.php?id=5114>.

¹⁷ "Country Paper: China," *United Nations Economic and Social Commission for Asia and the Pacific* (accessed on 13 December 2004), available from: <http://www.unescap.org/huset/lgstudy/country/china/china.html#ahead>.

¹⁸ Justin Yifu Lin, Ran Tao, and Mingxing Liu, "Decentralization and Local Governance in the Context of China's Transition," (accessed on 23 September 2004), available from: <http://www.usc.cuhk.edu.hk/wkgb.asp>; see also Jean C. Oi, "The Role of Local State in China's Transitional Economy," *China Quarterly*, Vol. 144, (1995), Special Issue: China's Transitional Economy, pp. 1132-1149.

as an intermediary institution, always endeavours to intervene in the management of enterprises by nudging them to merge or consolidate their resources.

In addition to promoting local economic development, Baoji Municipal Government also exercises a host of other functions, like tax levy, education, housing, leisure and amenities, public protection and a variety of social services. Due to the importance of economic development in contemporary China, other government functions are given less attention by Baoji Municipal Government. Hence, when evaluating government activities, economic performance becomes one of the major and inevitable indicators although it might be influenced by other factors beyond the control of the government.

Now, we can conclude that Baoji Municipal Government is a multifunctional organization. Among all the roles, it is true that Baoji Municipal Government's principal role is a policy maker, regulator and monitor. Its major responsibilities are to plan, regulate, monitor and facilitate the activities of other agencies and organizations, and provide advice and possible finance to them. The municipal government decides the economic, social development strategy and public service provision. Subsequently, Baoji Municipal Government is a service provider, offering public service to the public. They themselves have provided the buildings and equipment, and employed all the staff necessary to deliver social services. Unlike the United Kingdom and other western countries where partnerships between local governments and the non-elected, private and voluntary sectors are particularly prevalent, Baiji Municipal Government is still the sole service provider.¹⁹

¹⁹ On the functions of local government in the United Kingdom, see David Wilson and Chris Game, *Local Government in the United Kingdom*, 2nd ed. (London: Macmillan, 1998), pp. 82-98.

Background Information on Jintai and Weibin Districts

Jintai District receives its name from “Jin Tai Taoist Temple”, where the famous Taoist priest Zhang Sanfeng once practised Taoism during the Ming Dynasty about 600 years ago. It covers 329 square kilometres with a total registered population of 378,000 in 2003, including 66.9 percent of urban residents.²⁰ Traditionally, especially before 1978, Jintai District was the communication hub of Baoji City. However, by virtue of its geographic advantage, Weibin District has developed its own industry and commerce and gradually replaced Jintan District as the central district of business in Baoji City during the past 20 years.

Weibin District was named for its geographic position: it is located near the Wei River, one of branches of the Yellow River. Vast expanse of land around provided Weibin District great benefits for enlarging and developing itself in the past two decades. It has an area of 728 square kilometres and a registered population of 376,000 with 70 percent of urban residents.²¹ According to the historical record in the *Commentary to the River Classic (Shuijingzhu)*, the Yan Emperor, the ancestor of the Chinese population, was born in the present Weibin District. So, now following the Chinese lunar calendar, on 7th July every year, a large numbers of people from other parts of China and abroad attend the traditional sacrifice festival for Yan Emperor. Nowadays, Weibin District has become the political, cultural and economic centre of Baoji City. It is the place where the Baoji Municipal Government, People’s Congress of Baoji City and other administrative departments are located. The most crowded and busy commercial street in Baoji City and high-technology development zone are also situated in Weibin District. Detailed data on

²⁰ Statistics Bureau of Baoji Municipal Government, *Baoji Statistical Yearbook*, 2003, p. 6.

²¹ *Ibid.*, pp 2-6.

population, area and some economic development indicators in Jintai and Weibin Districts from 1998-2002, such as per capita GDP, fiscal revenue and expenditure, average income of peasants are provided in Appendix 3.

Structure of Jintai and Weibin District Governments

Local governments at various levels in China need establish their own departments with same functions similar to those counterparts in their higher levels. Therefore, from the perspective of government structure, two local governments at the district level in Baoji City share some similarities with Baoji Municipal Government. As reflected in appendices 4 and 5, almost all the important departments in Baoji Municipal Government have their counterparts in the two district governments, like the Finance Bureau, Personnel Bureau, Education and Culture Bureau, Health Bureau and so on.²² In this way, national, provincial and municipal policies are expected to be implemented thoroughly and successfully by the district governments. Weibin District Government consists of 21 administrative departments, 14 functional units, 6 townships and 5 street offices while Jintai District Government is made up of 24 administrative departments, 5 townships and 7 street offices.²³

²² The Chinese bureaucratic system is complicated by the relationship between the vertical system of control of function (*tiaotiao*) and the horizontal system of governance by territorial area (*kuaikuai*). Every level of government is part of both a *tiaotiao* (vertical) and *kuaikuai* (horizontal) relationship with related government units. For example, the official in Education Bureau in Jintai District Government has to report both to the higher related Education Bureau in Baoji Municipal Government and local Jintai District Government. About government structure in local China, please see James Derleth and Daniel R. Koldyk, "The *Shequ* Experiment: Grassroots Political Reform in Urban China," *Journal of Contemporary China*, Vol. 13, No. 41 (November 2004), pp. 751-752.

²³ Usually both the administrative department and functional unit are the government organs inside the district government. Functional units also belong to the public sector. The only difference between the functional unit and administrative department is that their financial sources. The government provides the whole fiscal funds to the operation of the administrative department while it only provides part of the fiscal

Given the different situation in local areas, there are slightly different arrangements on government structure. Due to limited fiscal revenue in Weibin District, 14 functional units are set up in Weibin District Government to perform important functions and no one is established in Jintai District. Taking the establishment of the Bureau of Non-public Ownership Economy Development in Weibin District for example, it can make profits and partly afford its own operation expenditures through the management of private sectors and provision of business information, while Weibin District only provides the rest one.²⁴

Functions of Jintai and Weibin District Governments

It is a cliché, but true nonetheless, that the two local governments at the district level in Baoji City, are assuming a large number of duties. They exercise their functions and deliver a broad range of public services to achieve the government objectives. As listed in the government work report, economic development, reform, public security and provision of high-quality social services are the most important tasks for Jintai and Weibin District Government.

Economic development

Since 1978, economic development dominates the policy agenda of Chinese governments at all levels. This mainly involves harnessing local fiscal revenue, increasing per capita GDP and local people's income.

funds to the operation of the functional units. However, the government has the final say on the number of civil servants in functional units.

²⁴ Bureau of Non-public Ownership Economy Development specializes in drafting plans to facilitate the development of the non-public economy, managing private companies and sectors through license issues and regulation, and providing information and policy consultations.

From the Jintai District Government Work Report 1998-2002, it can be discerned that promoting economic development has been given priority by the government. It encompasses creating economic zones, adjusting the structure of agriculture, developing non-public economic sector and tertiary services. Moreover, Jintai District Government has proposed many concrete measures to carry out urban construction and planning, like rebuilding basic infrastructure.²⁵ Similarly, Weibin District Government regards promoting local economic development, enhancing fiscal revenue and people's income as its work focus, as well as with a strong emphasis on improving investment environment and attracting overseas investors and funds.²⁶

Government reform

“The 1998 national administrative reform sought to streamline government, remove direct governmental control over profit-making enterprises, and move China in the direction of the rule of law.”²⁷ Each of these efforts penetrated down to the local governments and resulted in workforce reduction in the governmental sector. In Baoji City, there were also two rounds of governmental reforms in 1998 and 2001 in an attempt to change government functions. These reforms were also guided by “idea innovation” and “system innovation” as advocated by the ex-president Jiang Zemin. Local governments at various levels in Baoji city, including the municipal and district governments broke from old ways of thinking under the planned economy and improved their adaptabilities and capacities to face the fast-changing society, such as improving government efficiency and considering more about people's needs.

²⁵ Jintai District Government, *Jintai District Government Work Report from 1998-2002*.

²⁶ Weibin District Government, *Weibin District Government Work Report from 1998-2002*, 1998-2002.

²⁷ Zhiyong Lan, “Local Government Reform in the PRC: Stipulations, impact, Cases and Assessment,” *Chinese Public Administration Review*, Vol.1, No. 3/4, (July/December 2002), pp. 213-214.

Improving and strengthening the government's own construction was highlighted in the Jintai Government Report. Jintai District Government also drafted some regulations to supervise the work of civil servants and its subordinate departments. Additionally, the leader of Weibin District Government stressed to conduct administration strictly in accordance with the law and build up one "diligent, efficient, uncorrupted and down to earth" government.

Public security

Providing police service is one of basic government functions for the Jintai and Weibin District Government. As one local official in the Jintai District Government said, the most significant reason for the existence of one government is to guarantee people's life security and private properties.²⁸ Furthermore, another important government function is to redistribute local fiscal revenue, offer necessary and timely social insurance and welfare, relief and assistance to the local people. In this way, social stability and a secure living environment can be created.

Social services

Education is still by far the largest public services offered by Jintai and Weibin District Government, accounting for nearly one quarter of all local government revenue expenditure from 1998-2002. The ratio of education expenditure to the whole fiscal expenditure in Jintai District ranges from 23 to 26 percent over the past five years while it is around 22 to 28 percent in Weibin District.²⁹ Usually, the main tasks of the two district governments are to propose local education development plans, raise and supervise the

²⁸ Interview with the previous head of Jintai District Government, Baoji City on 25 June 2004, Baoji City of Shaanxi Province, China.

²⁹ Statistics Bureau, *Baoji Statistical Yearbook* 1998-2002.

usage of education funds and manage all types of schools and colleges directly controlled by them.³⁰

One traditional government service concerns environmental health, it includes inspection, regulation, registration, licensing and certification. Some examples are the inspection of selling and preparing food; investigating infectious diseases and carrying out checks; control of environmental pollution; health and safety inspection of commercial and industrial premises. District governments also carry out environmental health policies according to directions from upper levels and provide financial and policy assistance to hospitals and clinics directly controlled by itself.

Since only the governments at the provincial and central levels have the right to sell land, the district governments of Jintai and Weibin only exercise part of the functions on land and housing management.³¹ The main responsibilities of the Bureau of Housing Management and Bureau of Land Management are to draft and implement housing and land development plans, manage real estate properties, “affordable housing” projects (*jingjing shiyongfang*) and other dwellings in Jintai and Weibin District.³²

³⁰ In China, public schools, state-owned enterprises and public hospitals are grouped into different levels and then managed by different level of local governments according to their hierarchies. For instance, in Baoji City, there are city-controlled, district-controlled and county-controlled schools. Accordingly, city-controlled school are directly financed and managed by the municipal government and district-controlled school are directly financed and managed by the district government.

³¹ For details, see “China Land Management Law,” (accessed on 14 June 2005), in Chinese, available from: http://news.xinhuanet.com/zhengfu/2004-08/30/content_1925451.htm

³² After 1998, the Welfare Housing Project went under the general name of affordable housing in China. Affordable housing refers to the commodity housing with the nature of social security and has the features of economy and applicability. Economy means the housing price is moderate and affordable for moderate and low-income households compared with the market price. Applicability means the emphasis on the effect of housing utilization in housing design and building standard specification rather than lowering the building standard specification. It belongs to common housing constructed by the government to solve the housing problems of moderate and low-income households. See Mingsheng Nie, “Policies and Measures on Housing of Chinese Low-income Households,” (accessed on 8 June 2005), available from: <http://www.unhabitat.org/wuf/2004/documents/china%20low%20income%20housing.pdf>.

As all I mentioned above, indeed, Jintai and Weibin District Government are the large-scale social service providers. Nevertheless, they are incomplete governments as some important government functions have been transferred to the provincial governments aiming to curb local protectionism and strengthen central authority, including the right to manage national land, conduct technology supervision and enact regulations on environment protection.³³ Furthermore, there is a shared expenditure responsibility between the district governments and their upper levels, even if it is true that local district governments' responsibilities to deliver social welfare and assistance to the public. For importance of social assistance, actually the central and the provincial governments assume the majority of the financial expenditure to provide minimum life guarantee to the local people.³⁴

On the one hand, the activities of the Jintai and Weibin District Governments cover almost all of the aspects of people's daily life. They look like omnipotent governments; on the other hand, as a result of central control, they are incomplete governments because they share responsibility with their high levels in terms of expenditure, like the social

³³ Interview with an official in Environmental Protection Bureau of Baoji City on 25 July 2004, Baoji City of Shaanxi Province, China. "Localities usually conduct protectionism under the name of 'assistance to the local economy'. Cigarettes, autos, alcohol, products with high revenue, often top the list of items subject to local protectionism. In a short-term view, such actions shield local enterprises from fierce competition with other Chinese cities, but in the long-term the result is just the opposite," said Lin Jiabin, the vice-director of Society Department of the Development Research Center of State Council. "Regional Protectionism Weakening State Capacity," (accessed on 1 June 2005), available from: <http://www.china.org.cn/english/2001/Mar/9673.htm>.

³⁴ Minimum life guarantee system is part of social security reform targeting at the people living below poverty line in local areas, such as the monthly salary of RMB 130 is the poverty live in Jintai and Weibin District. It had been established in all cities and towns; about 7.01 million urban and rural residents received minimum life guarantee relief. For details, see "Social Security System," (accessed on 18 June 2005), available from: <http://english.mofcom.gov.cn/aarticle/topic/bizchina/economicsystem/200409/20040900280066.html>. Taking 2005 for example, to the minimum life guarantee of the urban residents, the annual fiscal budget in Jintai District Government is an amount of RMB 800 thousand. In contrast to the fiscal budget, only in February 2005, Jintai provided a total amount of RMB 4.96 million to urban residents. Remarkably, there is a huge fiscal gap. The rest of the money is from the special funds of the provincial and central government. Data are from the Ministry of Civil Affairs of the PRC, (accessed on 21 June 2005), in Chinese, available from: <http://www.mca.gov.cn/callboard/index.asp#>

welfare and assistance, even they lost some basic functions, including the land management. In contrast with the inappropriate interventions of Baoji Municipal Government and two district governments in the market and enterprise management, they disappear in the exact place it should assume its responsibility. Without the funds provided from the upper levels, they cannot fulfill some important functions. And also without the high-level approval, they have no discretion to deal with some certain issues, like environmental management.

This phenomenon is not a truly new one in Baoji City and actually it is a common one around China. Nowadays, Chinese local governments, especially those below the provincial level, have been widely regarded as incomplete governments in terms of their functions.

Division of Functions among Local Governments in Baoji

Two district governments of Jintai and Weibin and Baoji Municipal Government all perform the following functions: urban and rural development and construction, finance, culture and education, civil administration, social security and public order, medical and health affairs and others. The detailed division of social services between the municipal government and the district governments in Baoji City can be seen in Table 2.1.

Table 2.1 Functions of Local Governments in Baoji City

Functions			Baoji Municipal Government	Jintai & Weibin District Government
Economy	Planning		Short-term and long-term economic development strategy in Baoji City.	To draft development plans for Jintai & Weibin District based on the development strategy from Baoji Municipal Government and different local situations.
	Finance		To draft regulations on budget, finance, audit and national assets in Baoji City; To regulate the distribution of national revenue in Baoji City; To manage the construction funds offered by Baoji Municipal Government.	To draft local regulations on budget, finance, audit and national assets within its own jurisdiction; To regulate the distribution of national revenue in Jintai & Weibin District; To manage construction funds offered by Jintai & Weibin District Government.
	Tax ³⁵	National tax	To draft regulations on levying national tax in Baoji City; To levy national tax in Baoji.	To levy national tax in Jintai & Weibin District.
		Local tax	To draft regulations on levying local tax in Baoji City; To levy local tax in Baoji City.	To levy local tax in Jintai & Weibin District.
	Commerce		To draft commerce development plans in Baoji City; Trading management and industry management; Data collection and distribution on goods; To organize and coordinate technology development;	To provide same services in Jintai & Weibin District as Baoji Municipal Government does in Baoji City;
Reform (organizations & regulations)			To draft regulations to solve social issues with effect in Baoji City; To initiate government reform at different levels in Baoji City;	To draft detailed local regulations based on existing regulations from the upper level; With the agreement and authorization from Baoji Municipal Government, to initiate government reform in Jintai & Weibin District;
Pubic Security	Social welfare (shared expenditure responsibility)		To provide social welfare, assistance and insurance to local people who work in enterprises controlled by Baoji Municipal Government;	To provide social welfare, assistance and insurance to local people who work in enterprises controlled by Jintai or Weibin District Government;

³⁵ About the differences between national tax and local tax in China, see Appendix 7.

	Public security	To provide police and juridical service within the area of Baoji City;	To provide police and juridical service within the area of Jintai & Weibin District;
Social Services	Education	To provide financial and policy assistance to education sectors controlled by Baoji Municipal Government;	To provide financial and policy assistance to education sectors controlled by Jintai & Weibin District Government;
	Environmental Health	To provide financial and policy assistance to hospitals and clinics controlled by Baoji Municipal Government; To implement environmental policies from the upper provincial government in the area of Baoji City;	To provide financial and policy assistance to hospitals and clinics controlled by Jintai & Weibin District Government; To implement environmental policies from the upper provincial government in the area of Jintai & Weibin District;
	Housing	To draft and implement housing development plans in Baoji City; Management of real estate and dwellings in Baoji City;	To draft and implement housing development plans in Jintai & Weibin District; Management of real estate and dwellings in Jintai & Weibin;

Examination of major responsibilities and activities of the municipal government and the district governments would further illustrate us on their authorities in local governance. Four primary roles of the district governments in sequence are:

1. *Service Provision*: the planning, resourcing and provision, directly or indirectly, of individual local services.
2. *Regulation*: the regulation of the economic behaviour of individuals or other agencies in the public interest by insisting on their compliance with standards, rules and procedures of various kinds for exchange or provision of goods and services. This is where licensing, inspection, monitoring, registration and certification come in.
3. *Strategic planning*: the provision of a longer-term planning framework to influence the activities of internal departments and external organizations in relation to individual service areas or authority-wide issues.
4. *Promotion, advocacy and outsourcing*: the persuasion of one or more other organizations (e.g. private companies, voluntary bodies) to carry out activities which are likely to benefit the local communities (e.g. contracting out public toilet services to individuals, accepting grants and personnel assistance from voluntary organizations³⁶).

³⁶ Interview with an official in the Civil Affairs Bureau of Baoji Municipal Government, Baoji City on 2 August 2004, Baoji City of Shaanxi Province, China.

As shown in Table 2.1, unlike Baoji Municipal Government whose primary role is to draw up policies, the major function of Jintai and Weibin District Government are to deliver social services. The district government is a more direct service provider, and delivers a wider range of services. It is in charge of organizing and managing the delivery of public services to the local people, sometimes with necessary financial and other supports from the municipal government. However, essentially the municipal government offers financial resources and policy assistance. Taking education for example, Baoji Municipal Government provides financial resources to the public schools controlled by itself, as well as participates in the management of these schools, such as Baoji City Middle High School. At the same time, due to limited education funds or an appeal for aid from the subordinate Jintai or Weibin District Government, Baoji Municipal Government may also provide necessary financial assistances to the public schools controlled by the district governments. However, it only checks the flow of money and supervises the usage of money without intervening in the internal management of these schools.

Moreover, the second role of Jintai and Weibin District Government is that of strategic planning and regulation in their own defined areas. Usually Baoji Municipal Government is responsible to draft economic development strategies and other regulations with effect in the area of Baoji City, including all the districts and counties. However, to avoid contradictions with high-level policies, these two district governments can only draft their own regulations in light of different local situations and then carry out them within their jurisdictions. As we all know, local governments of China comprise a hierarchical system and the lower level has to be subordinate to the higher levels. Hence, to some extent, the

government structure affects the way of fulfilling government functions. Jintai and Weibin District Government exercise their functions and powers under the guidance of Baoji Municipal Government.

Lastly, the rise of the Jintai and Weibin District Governments' outsourcing contracts is truly a new phenomenon in recent years. It implies a reduced role for local authorities as direct providers. However, currently contracting out government services (also called "privatization") only covers a limited range of areas, such as simple public toilets and street cleaning services.³⁷ Social organizations and voluntary associations also offer finance, technology and personnel assistance to the poor, disabled and old people. They work together with Civil Affairs Bureau to provide social subsidies and reliefs, which are part of the government functions. Therefore, at the district level in Baoji City, they have started to enter an area of alternative service delivery system incorporating local authority, voluntary sector and private sector provision. Although it is underway, outsourcing services may become prevalent in the near future.

Conclusion

I have sought in this chapter to identify the functions of the two district governments of Jintai and Weibin in Baoji City. It is true that their functions and scope of action have been reduced in recent years due to the control of the central government. However, local district governments are still large organizations with huge budgets, big workforce and responsibility for various social services. Among all the functions, boosting local

³⁷ In 1998, Jintai District Government auctioned off the right to clean the 30 urban toilets to the public. The laid-off workers from the state owned enterprises account for more than one half among all the participants to this auction. After bidding, 29 people owned the toilet clean rights for about one year. At the end of 1998, they submitted a total amount of RMB300 thousand contract fees to the government. See Baoji Municipal Government, *Baoji Yearbook 1999*, p.276.

economic development is definitely the most important task for Jintai and Weibin District Governments. Since government effectiveness will be evaluated in terms of its ability to perform functions, a description of these functions provides a solid foundation for an assessment and analysis of government effectiveness in the next chapter.

Chapter 3 Assessing the Effectiveness of Jintai and Weibin District Governments

After reviewing the structure and functions of Jintai and Weibin District Governments in Baoji City, this chapter focuses on assessing their effectiveness. I will first examine the existing official system for evaluating government effectiveness in Baoji Municipal Government to explore how the municipal government conducts the assessment of the effectiveness of its two subordinate district governments. Furthermore, based on the data collected from 1998-2002, I will construct my own indicators to evaluate the government effectiveness of Jintai and Weibin. The limitations of my evaluation system will also be discussed.

Cadre Responsibility System in China

Since the 1990s, the Chinese Communist Part (CCP) has installed a cadre responsibility system (*gangwei zerenzhi*) in an attempt to strengthen its control over the evaluation and monitoring of local leaders. Under this current system, “there exists a set of quantitative evaluation indicators set up by the higher-level governments, and governments at the lower levels will be judged, rewarded or punished according to the implementation of these evaluation indicators”.¹ Given the degree of attainment of the evaluation indicators, Jintai and Weibin District Governments will be judged by their upper-level Baoji Municipal Government. The party secretaries and government heads of Jintai and Weibin must sign performance contracts (*gangwei mubiao zeren shu*) with the high-level Baoji Municipal Government and pledge that they are personally held responsible for achieving

¹ Justin Yifu lin, Ran Tao, and Mingxing Liu, “Decentralization and Local Governance in the Context of China’s Transition,” (accessed on 23 September 2004), available from: <http://www.usc.cuhk.edu.hk/wkgb.asp>.

certain targets laid down by the municipal government.² Economic affairs formally fall under the responsibility of the head of government while Party affairs fall under the responsibility of the Party secretary.

“Performance targets (*kaohe zhibiao*) are internally ranked in importance: soft targets (*ruan zhibiao*), hard targets (*ying zhibiao*) and priority targets with veto power (*yipiao foujue*).”³ Soft targets are usually those difficult to be measured and quantified, and policies that are not deemed important by the higher levels, like cultural and social development plans. Hard targets tend to be economic in nature while priority targets are more often political, such as, the amount of fiscal revenue submitted to the upper levels, is inevitably defined as a hard target in local areas in China. Veto power implies that if local leaders fail to attain these targets, this would cancel out all other work performance, however successful, in the comprehensive evaluation. There are two priority targets which are enforced nationwide, mirroring the importance which the CCP places on these policies: family planning (*jihua shengyu*) and social order (*shehui zhi'an*).⁴ From the ranking of the above targets, we can conclude that under normal circumstances, the CCP places economic development in the first place, especially the amount of fiscal revenue submitted to the centre. However, it is evident that “the bottom line is social stability and

² Different contracts exist for different fields, such as industrial development, agricultural development, tax collection, family planning, social order, etc.

³ For more details on the cadre responsibility system, see Maria Edin, “Remaking the Communist Party-State: The Cadre Responsibility System at the Local Level in China,” *China: An International Journal*, Vol. 1, No. 1 (2003), pp. 1-15 and Maria Edin, “State Capacity and Local Agent Control in China: CCP Cadre Management from a Township Perspective,” *The China Quarterly*, No. 173 (March 2003), pp. 35-52.

⁴ The Chinese source Rong Jingben et al., *Cong yalixing tizhi xiang minzhu hezuo tizhi de zhuanbian: xianxiang laingji zhengzhi tizhi gaige* (Transforming from the Pressurized System to a Democratic System of Cooperation: Reform of the Political System at the County and Township Levels) (Beijing: Zhongyuan bianyi chubanshe, 1998), p. 271. Birth control is also referred to as a task to assume veto power in Kevin O'Brien and Li Lianjiang, “Selecting Policy Implementation in Rural China,” *Comparative Politics*, Vol. 31, No.2 (January 1999), pp. 158-186.

that the CCP would not promote economic growth at the expense of large-scale social instability”.⁵

Additionally, each performance target comes with a numerical value. For instance, Jintai District was assigned the targets of collecting RMB 42.87 million in tax from non-public ownership companies and achieving an annual economic growth rate of 15.4 percent in 2003. Each target is also allotted a weight in a cadre's performance appraisal. Taking the amount of fiscal revenue as an example, it may count for eighty points in the final evaluation system in which seven hundred points are satisfactory in Baoji City. More importantly, performance targets are not static; its contents vary among areas and over time, reflecting the priorities not only of the central but also of the local authorities.⁶ Performance targets could be adjusted and new ones may be added in response to the changing circumstances. A typical example is that when the Party wishes to emphasize people's health, prevention and cure of occupational diseases of rural immigrant workers has become a target in the 2005 annual evaluation for the government work.⁷

Performance contracts not only quantify targets and spell out the evaluation procedure; they also specify the rewards or penalties that will accompany the levels of performance, including financial and political rewards. On top of these inducements, control over the career prospects gives the higher levels more leverage to ensure that a performance contract is taken seriously.

⁵ Edin, "Remaking the Communist Party-State," pp. 1-15.

⁶ Edin, "State Capacity and Local Agent Control in China," pp. 35-52.

⁷ Mingyan Wei, "Zhongguo shou zhiye weihai renqun chao liangyi, fangzhi jiangru zhengfu niandu kaohe," (More than 200 million people in China suffer the occupational diseases, government prepares putting the prevention of occupational diseases into the annual evaluation) *Beijing Youth Newspaper* (accessed on 11 January 2005), translated from Chinese to English, available from: <http://cn.news.yahoo.com/050107/346/27yny.html>.

“Performance evaluation is normally conducted annually at the time when a leadership team finishes its term in office.”⁸ Evaluation is usually done in three steps. First, the higher officials determine how well (usually in percentage terms) each target has been met. Then, they calculate a cadre’s score for each target by multiplying the degree of success by the value assigned to that target. Finally, they add the scores to come up with a cadre’s overall appraisal.⁹

It has been well known that in the old Chinese communist planning system, mandatory targets were issued to the lower levels through the annual and five-year plans. Now guidance targets have replaced mandatory targets in the reform era. Local cadres are given more autonomy in choosing the means used to achieve the targets set by the higher levels. However, by implementing the cadre responsibility system, basically local governments at lower levels would follow CCP’s priorities to identify their own targets as it is highly related to local leaders’ personal bonuses and even, to their particular promotion. All these reasons above directly lead to a common phenomenon in contemporary China, that is, the selective policy implementation of the local governments. Local governments pay more attention to those policies which are given higher weight by the higher levels in the performance contract.

In this sense, as an effective incentive and monitoring system designed by the Chinese Central Government, current cadre responsibility system plays a significant role in shaping the local leaders’ behaviour. To consolidate the political power and guarantee their own political career, the behaviour of local officials would conform to what is being

⁸ O’ Brien and Li, “Selective Policy Implementation in Rural China,” pp. 172-173.

⁹ *Ibid.*, pp.172-173.

measured and “they would behave depending on how institutions are built”.¹⁰ With the cadre responsibility system, the CCP has successfully integrated its political control and economic motivation to strengthen the control on local leaders and local policy implementation.

In this study, the cadre responsibility system will be treated as the official system to evaluate government effectiveness in China. This is because in this system, high-level government, such as the municipal government, breaks down the objectives of its subordinate district governments into several specific and quantifiable targets, and then makes a set of evaluations of their work according to the extent of achievement of government goals. In this way, the cadre responsibility system thus becomes the one for evaluating government effectiveness as government effectiveness has been defined as the degree of achievement of government goals in chapter two. Hence, performance targets in the performance contract are also regarded as the official evaluation indicators for assessing government effectiveness.

System for Evaluating Government Effectiveness in Baoji City in 1999

In Baoji City, the first complete system for evaluating government effectiveness (namely the cadre target responsibility system) was enacted and implemented in 1999. Based on the official documents from Baoji Municipal Government, the subjects for evaluation are the district and county governments, administrative departments and all of the civil servants in Baoji City.¹¹ Furthermore, this system has a total score of 1000 marks. It is

¹⁰ Maria Edin, “Why Do Chinese Local Cadres Promote Growth? Institutional Incentives and Constraints of Local Cadres,” *Forum for Development Studies*, No.1 (1998), p. 108.

¹¹ About the Cadre Responsibility System in Baoji Municipal Government in detail, see The General Office of Baoji Municipal Government, *Baojishi dangzheng jiguan mubiao guanli zerenzhi kaohe zanxing banfa*

made up of three parts: target responsibility (700 marks), fundamental management (200 marks) and the appraisals from the masses and high-level municipal leaders (100 marks).

The evaluation of target responsibility mainly concentrates on those targets assigned by the Baoji Municipal Government. However, detailed contents about the targets were not listed in the official documents. Fundamental management primarily consists of work ethics, work principles, temporary tasks passed by the municipal government, party construction, social order and other daily work. Relevant administrative departments in the municipal government assume their own responsibilities to evaluate different aspects of fundamental management, such as evaluating the party construction, is the duty of the Supervising Bureau of Baoji Municipal Government. Finally, the Personnel Bureau of Baoji Municipal Government collects all of evaluation results from relevant departments and appraisals from the masses and the municipal leaders to make an appraisal on government effectiveness. And then the overall evaluation results are submitted to the standing working conference of chief leaders in Baoji City for further discussion. With the agreement of municipal leaders, the Baoji Municipal Government issues the final evaluation results to the public and other subordinate departments.

Final evaluation results for administrative departments in the municipal government are grouped into four categories: excellent, advanced, good and qualified units, while the evaluation results for the district and county governments are classified into three categories: advanced, good and qualified district or county. Moreover, in the original official documents in 1999, in order to encourage competition, the number of different-level awards was stipulated clearly, as shown in Table 3.1. In addition to the number of

(Temporary Regulations on the Evaluation of Target Responsibility System of the Party Organs and Administrative Departments in Baoji City) (1999).

awards, the documents prescribes that only the excellent, advanced and good work units, advanced and good districts or counties can get financial rewards. All the financial rewards are provided by the Baoji Municipal Government from the local fiscal revenue. From 1998-2002, the total amount of financial rewards for each year was around RMB 1.8 to 1.9 million.¹²

Table 3.1 The Number of Different-Level Awards in Baoji City in 1999

	90 departments (units) in the municipal government				12 subordinate district & county governments		
	Excellent	advanced	good	qualified	advanced	good	qualified
The numbers of awards	30% (28)	30% (28)	20% (18)	20% (16)	5-6	3-7	0

Source: The General Office of Baoji Municipal Government, *Baojishi dangzheng jiguan mubiao guanli zerenzhi kaohe zanxing banfa* (Temporary Regulations on the Evaluation of Target Responsibility System of the Party Organs and Administrative Departments in Baoji City) (1999).

However, if one department in the municipal government is regarded as a qualified unit with serious problems, the head of the department will be punished with a fine of RMB 200, and the vice head with RMB 100. In the meantime, for any unit, district or county, if the public satisfaction rate for its work is below 80 percent and several serious mistakes, for example, corruption cases or gas explosion accidents involving death, happened in the category of fundamental management, veto power will be granted in the final evaluation. It implies certain serious problems which might bring ill fame for local region, will counteract other achievements of one department or local government.

Revised System for Evaluating Government Effectiveness in Baoji City in 2002

¹² Interview with an official in the Personnel Bureau of Baoji City on 28 June 2004, Baoji City of Shaanxi Province, China.

Having learned the advanced management methods from Shanghai, Nanjing and other model cities, with support from the former major of Baoji City, in late 2002 the Personnel Bureau of Baoji Municipal Government revised the original system for evaluating government effectiveness and formed an updated one to evaluate the effectiveness of its subordinate governments at the county/district level (for details, see Appendix 6).

This revised system also has a total score of 1000 and comprises three parts: functional target, fundamental management and the appraisals only from the municipal leaders. Functional targets also play a significant role as they account for 70 percent of the whole score. Eight targets which mainly biased towards indicators of economic and social development in local areas are listed in the evaluation system as the functional targets. The total amount of local fiscal revenue and its growth rate are still vital for the final evaluation results as they constitute 180 of the total 700 scores. Moreover, the first, third and fifth items are also important as each of them carries 100 marks, that is, the GDP and its growth rate, the amount of fixed asset investment and its growth rate, the amount of investment signed and transferred. In addition to the Government Work Report examined in Chapter Two, it is justified again from this new evaluation system that the Baoji Municipal Government regards economic development as its policy priority.

Among two versions of the system for evaluating government effectiveness in 1999 and 2002, there are two differences deserving attention. First of all, in the revised system, the appraisal from upper-lever municipal leaders has taken the place of the combination of appraisals from the masses and the leaders in the original one. According to my investigation and interview, distrust of local people from the government is the major

reason for this great change.¹³ The municipal government doubts the quality of the local people. It holds an idea that the masses always evaluate the activities of the governments or officials from their own perspective. Consequently, it is difficult for local people to be free from prejudice to make an assessment neutrally. Nevertheless, from my point of view, the quality of local people cannot serve as the excuse to exclude people's opinions from the evaluation. Regardless of their quality, since local government is the biggest service provider, as the service receiver, the local people have the right to express their own ideas on government work, and listening to their comments are the best way to improve the government's effectiveness. Meanwhile, it is unavoidable that human beings make judgments from their own interests. The municipal government should treat people's ideas in a positive way, to find out its own problems in performing functions and then to improve the work instead of simply neglecting people's comments.

The second difference is that the financial rewards have been increased significantly, and the punishment is also becoming stricter in terms of the amount of fines. In the new 2002 system, among two district governments and ten county governments, awards are classified into four sorts: two first class prizes, three second class prizes, three third class prizes and eight special awards.¹⁴ The chief leaders of the district or county governments who get the first class prize can receive a total amount of RMB 50,000 as the encouragement, 30,000 for the second class prize, 10,000 for the third class prize and 8,000 for the special awards.¹⁵ Regarding the punishment, if one of eight functional

¹³ *Ibid.*

¹⁴ "Special award" is used for encouraging the excellent performance of governments in one certain field, like the economic development award for the area with the rapidest economic development and the tourism industry development award for the area with the quickest development in tourism industry.

¹⁵ Usually, the number of chief leaders in a local government at the district or county level is about five to seven persons. Thus, it means each leader can get approximately from RMB 7,000 to RMB 10,000 if he

targets cannot be achieved, a fine of RMB 1,000 will be collected from the local government. Furthermore, each leader of the governments with the last place in the final ranking on the evaluation will be imposed a fine of RMB 500.¹⁶ In this way, financial rewards provided by Baoji Municipal Government in 2003 reached the peak over the past years with RMB 2.33 million.¹⁷

By increasing the amount of financial rewards and fines for different performances, it is manifested that Baoji Municipal Government emphasizes economic motivations more than before. Generous bonus or fines, together with the control over career prospects give the higher levels enough leverage to ensure that a performance contract and their priority policies can be treated seriously by the lower levels.

In and of itself, the system for evaluating government effectiveness helps the secure and reliable implementation. By meticulously quantifying responsibility targets, it makes possible to assign work loads equally and conduct impartial evaluations for the higher-level governments. Government performance also enhances in that this system creates incentives for the better job by establishing a clear link between the performance and rewards.¹⁸ On the other hand, this evaluation system has its own shortcomings: it encourages selective policy implementation we have discussed before. In particular, it entices local cadres to ignore some popular and important policies that the higher levels

wins the first prize. Since the average salary of civil servants per month in Baoji City is around RMB 700-800, this financial reward is a huge fortune for local leaders.

¹⁶ All of the information above comes from The General Office of Baoji Municipal Government, *Baojishi xinanqu mubiao guanli zerenzhi kaohe zanzheng banfa* (Temporary regulations on the evaluation of target management responsibility of districts and counties in Baoji City) (2003).

¹⁷ Interview with an official in the Personnel Bureau of Baoji City on 28 June 2004, Baoji City of Shaanxi Province, China.

¹⁸ O'Brien and Li, "Selective Policy Implementation in Rural China," pp. 158-186.

cannot readily turn into binding targets, such as employing democratic work style, practising the mass line and assuming social management.¹⁹

Table 3.2 shows the evaluation results of the effectiveness of Jintai and Weibin Districts issued by the Baoji Municipal Government from 1998-2002.²⁰ As indicated in this table, Jintai District Government was more effective than Weibin District Government in 1998 and 2002. In 2000, they had more or less the same government effectiveness, while Weibin did better than Jintai in terms of government effectiveness in 2001.

Table 3.2 Evaluation Results of the Effectiveness of the Two District Governments

	Evaluation results of the effectiveness of two governments from 1998-2002				
	1998	1999 ²¹	2000	2001	2002
Jintai District Government	Advanced	NDA	Advanced	Good	Advanced
Weibin District Government	Qualified	NDA	Advanced	Advanced	Good

Note: NDA means no data available.

Limitations of the Revised Evaluation System of Government Effectiveness in Baoji City

¹⁹ The “democratic work style” is to stress the authority’s maintenance of ties with the masses of the people. Mao’s mass-line theory requires that the leadership elite be close to the people, that it is continuously informed about the people’s will and that it transforms this will into concrete actions by the masses. Henry C K Liu, “Part 2: The Great Leap Forward Not All Bad,” (accessed on 16 June 2005), available from: <http://www.atimes.com/atimes/China/FD01Ad04.html>. Social management covers a large of areas, education, public health and environmental management.

²⁰ Although this evaluation system is counted for a total of 1000 marks, Baoji Municipal Government only put the final results into several categories, not to rank them based on specific scores in the public notice.

²¹ 1999 evaluation results are not available from the Personnel Bureau of Baoji Municipal Government. Although in late 2002, Baoji Municipal Government has revised the old evaluation system, for limited time, it actually used the new one for the 2003 evaluation. In this way, 2002 evaluation of government effectiveness still applied the old system and old principle of rewards/punishments.

From the perspective of the higher level, that is, Baoji Municipal Government, the existing effectiveness evaluating system in Baoji City is quite satisfactory.²² It is because under this system, evaluation targets clearly indicate the work focus set by the upper levels, and the final evaluation results show which target is achieved and the degree of the goal achievement. By establishing this evaluation system, the Baoji Municipal Government could control and monitor the policy implementation of its subordinates.

However, some problems still exist in the revised evaluation system. First of all, it is about the setting of the indicators. Sixteen economic and social development indicators in the functional targets may not be appropriate and reliable for assessing the extent of economic and social development in local areas. If one wants to measure the employment conditions in local regions, the employment rate is definitely better than the number of allocation of labour listed in the evaluation index as the indicator. Another example is about the growth rate of stockbreeding production value. This measure may not be applicable to those areas with forestry and fishery as a dominated economy. Furthermore, these 16 indicators are not enough for measuring the pace of local economic and social development as they mainly cover the economic activities of the government. Other important government functions are neglected under this system, especially in the area of social management, such as education, environmental health, public order, and etc.

Secondly, many man-made and uncertain factors in the process of evaluation have an impact on the validity of the evaluation. Taking Taibai County for example, the amount of fiscal revenue in this county in 2003 actually cannot achieve the planned targets and lacked RMB 800,000. Before the Baoji Municipal Government publicized the final

²² From the interviews with officials and staffs from many different departments in Baoji Municipal Government, most of them all agree that current evaluating system is quite satisfactory and gave a positive appraisal about its impact, even if several problems may exist.

evaluation results, the head of Taibai County went to talk with the leaders of Baoji City. For failing to accomplish this target, the head gave his explanation: Taibai County is one state-level poverty county, which could receive agriculture and forestry tax waiver from the central government. If Taibai County could collect agriculture and forestry tax like other counties, the local fiscal revenue would be accomplished. The mayor and other city leaders accepted the explanation and subsequently changed the amount of the fiscal revenues of Taibai County, and finally Taibai County reached its target in 2003.²³ With the top leader's consent, the final evaluation result can be easily changed. The official evaluation system is designed with quantified targets and specific marking rules. However, in reality, in order to avoid the contradiction and balance the interests from different directions, the final evaluation results are often a tradeoff after bargaining among many parties, and not objective enough. In the case above, the leaders' personal interference and informal interpersonal relationship between the officials exert a profound influence, or even a final say on the final evaluation results.

Contemporary China still lives under the rule of man as the Chinese society is actually made up of many personal networks. In the reality of Chinese politics, on the one hand, high-level governments monitor and inspect the activities of the lower levels. But on the other hand, since all the policies in the local areas are actually carried out by the lower-level governments due to China's vast size, the ultimate goal of establishing an evaluation system for the upper levels is not to simply encourage or punish local governments, but to make them improve their performance and conduct policies effectively by means of financial motivations. Under this circumstance, the final results

²³ Interview with an official in the Personnel Bureau of Baoji City on 28 June 2004, Baoji City of Shaanxi Province, China.

are not important as the local governments' behaviour in the next year is more important. With reference to this background, we can also understand why the Baoji Municipal government presents the final results into a few obscure categories instead of announcing the special scores and ranking.

An Alternative Method for Evaluating Effectiveness of the Two District Governments

In view of the limitations in the existing system for evaluating government effectiveness in Baoji City, especially for the setting of the indicators, the major task of this section is to construct my own indicators and system to assess the effectiveness of Jintai and Weibin District Governments.

Government effectiveness has been defined as the degree of the attainment of government goals and it will be evaluated in terms of the governments' ability to perform functions. Therefore, the first step of evaluating government effectiveness is to identify the governments' objectives and functions clearly. Only when the agreement on the governments' mission is achieved, can the extent of achievement of goals be measured. Since different stakeholders from various perspectives have diverse ideas on government objectives, several systems for evaluating government effectiveness have been established for various purposes. For instance, Baoji Municipal Government builds up the existing system to control its subordinates in terms of the policy implementation. It not only decides the objectives of the district governments based on its own priorities, but also sets them as the evaluation indicators to make an appraisal about the effectiveness of the district governments.

From the academic perspective, I attempt to identify the governments' objectives on the basis of the government work reports in the two districts. It is because those targets listed in the government work reports have received a broad agreement between the leaders and local people. Both of them agree that the governments' objectives approved by the annual meetings of local People's Congress correspond to the important tasks of the governments, even though they might differ in the priorities among those tasks.²⁴

"Economic development, reform, public security and provision of high-quality social services" are the focal point of the work of the two district governments in recent years. These government missions are indicated clearly and reinforced continuously in the official documents, as well as proved by local officials during the interviews.²⁵ Hence, according to these four sets of indices, 15 indicators are constructed to evaluate the effectiveness of the two district governments in Baoji City from 1998-2002.

To evaluate the degree of the achievement of economic development, four indicators are selected here: GDP per capita, fiscal revenue, the annual income of the peasants and urban workers.²⁶ All these four targets have been listed and highlighted in the government work report of two districts. Moreover, local people in Baoji City also agree that only a government, which can offer a higher income and prosperous life, is an effective government.²⁷

²⁴ Local People's Congress in China is the local organ of state power. It has the power to enact, amend the laws and supervise the enforcement of laws and regulations.

²⁵ See *Jintai District Government Work report*, Jintai District Government, 1999-2003; also *Weibin District Government Work Report*, Weibin District Government, 1999-2003.

²⁶ Originally, I am supposed to use the income of urban residents as the measure. Unfortunately, I cannot obtain data on it. The income of workers becomes the alternative measure, even if it is not as accurate as the income of the urban residents. Here, peasants stand for the people living in rural areas. Urban workers are those workers living in urban areas.

²⁷ It is proved by some interviews and informal conversations with local people during June to August 2004 in Baoji City.

Government reform is also underlined by Jintai and Weibin District Governments through reducing the workforce and improving work efficiency to better service local people. There are three indicators used to evaluate the degree of attainment of the government reform, that is, the number of civil servants, the educational level of civil servants and their administrative expenditure.²⁸

Additionally, government reform also means “innovation”, including “idea innovation” and “system innovation”. Even if China is still one party authoritarian regime, contemporary Chinese local governments tend to be more responsible for the local people and continuously develop themselves to face the changing environment. Can these two governments quickly realize the needs of the society and then propose timely solutions to deal with them? Are the laws or regulations enacted and passed by governments complete and rapid enough to meet the needs of society? What’s more, how about the enforcement situation of these regulations? Do they have a great impact on the society? Indicators eight and nine are thereby constructed: the legislative innovation and legislative enforcement

It has also been well agreed that one crucial function of local government is to maintain social order and security. Accordingly, providing a safe and guaranteed life and working environment is the principal responsibility of one government. To assess the performance of the two district governments on public security, one indicator is chosen: the fiscal expenditure of the police and supervising departments.

Lastly, as the public service provider and problem solver, the government’s behaviour to deliver social services should be evaluated. Does it successfully fulfill its important

²⁸ “Administrative expenditure” here consists of the salary of civil servants in local areas, purchase fees of administrative facilities, like chairs, desks and computers. In other words, administrative expenditure can be viewed as the administrative costs.

social functions, such as education, public health, housing and environment management?

With no access to data and information on housing management, I will mainly examine three areas: education, public health and environmental management. There are altogether five indicators used for assessing the degree of government achievement in the three areas above: education expenditure and the number of students, the number of doctors and administrative staff in hospitals, and the environmental evaluation results.

Therefore, based on limited date resources, my indicators for evaluating government effectiveness cover the fifteen fields of local governments' activities, as seen in Table 3.3.

Table 3.3 Evaluation Indicators of Government Effectiveness in Jintai and Weibin Districts

	Four Primary Indices	Indicators
Government Effectiveness (1998-2002)	Economic development	1. GDP per capita 2. Fiscal revenue 3. Annual income of the peasants 4. Annual income of urban workers
	Reform	5. The administrative expenditure 6. The number of civil servants 7. The educational level of civil servants 8. Legislative innovation 9. Legislative enforcement
	Public security	10. The fiscal expenditure of the police and supervising departments
	Social services	11. Education expenditure 12. The number of students 13. The number of doctors 14. The number of administrative staff in hospitals 15. Environmental evaluation results

Limitations of Alternative Method for Evaluating Government Effectiveness

My system for evaluating government effectiveness aims to assess the effectiveness of Jintai and Weibin District Governments in Baoji City in terms of the extent of its goal achievement. According to the objectives defined in the two government work reports, I identified four major areas to examine whether they have attained their original missions,

including economic development, reform, public security and social services. My indicators are set up on the basis of the specific situations in the two districts in Baoji City. Therefore, whether this alternative system for evaluating government effectiveness is suitable for other local regions is uncertain because of China's huge territory. With reference to diverse situations, in order to assess government effectiveness in different areas, indicators should be changed according to the various situations.

However, my evaluation system is still subject to some problems. In some cases, it is not accurate and valid enough. Taking the measures under the "reform" category for example, given no information available for evaluating the quality of social services offered by the government from the service receivers, such as the survey data about the local people's satisfaction rate to the social services in the two districts, the evaluation result only based on three indicators listed is not so valid. Moreover, if data on the public health expenditure in the two districts are available, the evaluation category of public health services would be more convincing and reliable.

In addition, the indicators of economic development (GDP per capita, fiscal revenue and annual income of peasants and workers) may not only reflect the performance of local government, these might also reflect the economic efforts/activities of central government agencies, business enterprises, individual household activities and etc. Supportive economic policies from the central government indeed play an active role in promoting rapid local economic growth. In this sense, questions come: how much of such economic performance is due to local government and how much of it is contributed by the other actors. Taking the fiscal revenue for example, the total amount of fiscal revenue

reduced substantially in Weibin during 2000-2002.²⁹ After careful scrutiny, two local events should be noted. The first event was the large-scale reconstruction of Weibin's most busy business streets (Jingyi Road and Hanzhong Road) which was done during the same period. The second event was the bankruptcy of the four big state-owned enterprises (SOEs) during 2000-2002 in Weibin. In short, the reduction of Weibin District's fiscal revenue can be attributed to the closing of the shops on the two business streets and the bankruptcy of the four SOEs.

For this thesis, the major difficulty during my study is lack of information and data. Ideally, I attempt to cover important areas of government functions, like housing, into my assessment system. Unfortunately, I have to abandon this indicator due to lack of statistics. Lacking a unified statistical reporting system from year to year also directly leads to the waste of some important information for their incompleteness. Furthermore, when we consider the universal falsification of statistics on some important aspects in contemporary China, including GDP, peasant's burden and fiscal revenue, the reliability of the statistical data used in my analysis would also be affected to a certain extent.³⁰

All the above constitute my difficulties in selecting indicators and constructing the evaluation system. As a researcher, I have to balance my choice in face of this dilemma by combining the qualitative and quantitative analysis together in an attempt to achieve a comparatively valid and convincing assessment.

Evaluation Results

²⁹ The amount of fiscal revenue is RMB 86.63 million in Weibin District in 2000, RMB 82.89 million in 2001 and RMB 81.21 million in 2002. For detailed data, you can also refer to Table 3.4.

³⁰ About the falsification of Chinese statistics, see Thomas G. Rawski, "What's Happening to China's GDP Statistics?" (accessed on 22 June 2005), available from: <http://www.pitt.edu/~tgrawski/papers2001/gdp912f.pdf>.

(1) Economic Development

Whether local authority can achieve the improvement in economic development has been viewed as the most important evaluation criterion for government work by the local people in Baoji. It is true that GDP per capita has been widely used to assess the economic achievement around the world. Concerning the different economic development level and population size in two districts from 1998-2002, the growth rate of GDP per capita during this period is chosen as the first measure. However, GDP per capita is only the value of all goods and services produced in the economy divided by population.³¹ It cannot accurately gauge the average national income in local areas and reflects local developmental disparity. We need to further examine the income of local people, including the peasants and urban workers. Similarly, by analyzing the growth rate of local peoples' income from 1998-2002, we can explore the extent of the government efforts on it. Besides, the growth rate of the fiscal revenue is also the important task for the two district governments as it is treated as the priority targets in the official system for evaluating government effectiveness.

It is found from Table 3.4 that GDP per capita in Weibin District achieved greater progress than Jintai District in the past five years. However, the increase of GDP per capita, in other words, the increased national income in the two districts does not bring even distribution among the local people, especially between the peasants and the urban workers. With a higher growth rate of 97.7 percent for urban workers' annual income, Weibin District Government made more efforts on improving the life of urban workers than the peasants from 1998-2002. In contrast, with a growth rate of 22.7 percent for peasant's income, Jintai District Government paid more attention to improve the life of

³¹ (Accessed on 18 June 2005), available from: <http://www.wwnorton.com/college/econ/stiglitz/glossg.htm>.

local peasants during the same period. Since more than 75 percent of the population in both two districts is urban residents, with the higher growth rate of GDP per capita and the income of urban workers, who are the majority of the urban residents, Weibin District Government did better than Jintai District Government in enhancing the GDP per capita and people's income.³²

Table 3.4 Economic Development of the Two District Governments

	District	1998	1999	2000	2001	2002	Growth rate
GDP Per capita (Yuan)	Jintai	11111	NDA	NDA	14320	15357	38.2%
	Weibin	11665	12701	13462	15541	16816	44.2%
Average annual income of workers (Yuan)	Jintai	4904	5069	5779	7221	8069	64.5%
	Weibin	5479	6459	8176	9857	10836	97.7%
Average annual income of peasants (Yuan)	Jintai	2458	2661	2821	2905	3016	22.7%
	Weibin	2208	2237	2390	2491	2593	17.4%
Fiscal revenue (10,000 Yuan)	Jintai	5314	5363	5632	5892	6470	21.8%
	Weibin	8358	8552	8663	8289	8121	-3.2%
Fiscal expenditure (10,000 Yuan)	Jintai	5170	5751	6650	8455	8938	72.9%
	Weibin	6164	7163	8831	9716	10793	75.1%

Note: NDA means no data available.

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002 and Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003.

From 1998-2002, the amount of the fiscal revenue in Jintai increased from RMB 53.14 million to RMB 64.7 million with a growth rate of 21.8 percent, whereas it was reduced from RMB 83.58 million to RMB 81.21 million with a growth rate of minus 3.2 percent in Weibin. According to the data above, one conclusion can be made: Jintai District Government had higher effectiveness in collecting fiscal revenue from 1998-2002.

³² About the urbanization rate in the two districts, see Statistics Bureau of Baoji Municipal Government, *Baoji Statistical Yearbook* 1999-2002.

However, it should be emphasized here as discussed in the previous section, that the higher fiscal revenue in Jintai from 2000-2002 cannot be attributed to the better performance of Jintai District Government itself, but the bankruptcy of four SOEs and unprofitable business activities in another Weibin District.

As Table 3.4 shows, from 2000 two district governments in Baoji started to face the fiscal gap between the larger expenditure and smaller revenue. More importantly, the fiscal gap keeps enlarging, like Weibin District, from only RMB 1.68 million in 2000 to RMB 26.72 million in 2002, almost one third of the 2002 fiscal revenue. It is true that these two district governments depend on extra-budgetary resources to finance the rest of the expenditure.³³ But, where the extra-budgetary expenditure comes from? According to my interviews and the official documents, it is primarily from bank loans.³⁴ Local governments borrow money from the domestic and foreign banks to offset the fiscal gap and provide necessary social services to the public.³⁵

To sum up, the Weibin District Government did better in accomplishing the target of GDP per capita and the income of the local people, in particular, the income of urban workers from 1998-2002. With a minus growth rate over the past years, Weibin failed in boosting local fiscal revenue.³⁶ However, it depended on itself to overcome fiscal difficulty. Weibin endeavored to raise money via various channels, and then to support

³³ About the fiscal management of local governments in China, see World Bank Report, "East Asia Decentralizes," June 2005, (accessed on 18 June 2005), pp.97-99, available from: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/EXTEAPDECEN/0,,contentMDK:20516472~pagePK:64168427~piPK:64168435~theSitePK:1169052,00.html>

³⁴ For details, see Baoji City People's Congress, *Report on the Fiscal Budget in Baoji City in 2002*.

³⁵ Under the planned economy, local governments acted as agents in fulfilling deconcentrated functions of the central government, which bore the costs through revenue-sharing arrangements. During China's transition to a market economy, however, incremental changes in revenue-sharing arrangements weakened and then severed link between retained revenue and expenditure needs, and local governments became responsible for financing their assigned function from own revenues and the fiscal gap occurred. Also see World Bank Report, "East Asia Decentralizes," pp. 77-79.

³⁶ Based on data from Baoji Statistical Yearbook, a reduction of the company income directly leads to a decrease of the whole fiscal revenue in Weibin District from 2000.

local economic development. As a result, Weibin obtained a high level of economic development. Thus, Weibin District Government was more effective than Jintai District Government to facilitate local economic development from 1998-2002.

(2) Reform

The evaluation of the reform here aims to assess the ability that two district governments develop themselves by managing their internal affairs and local society by enacting regulations to solve social problems promptly.

When evaluating two district government's ability to manage its internal affairs, essentially we will examine three indicators. One is the average ratio of administrative expenditure to the whole fiscal expenditure in the two districts from 1999-2002 (Table 3.5).³⁷ The second one is the number of full-time civil servants per 10,000 population in 2002. The ratio of civil servants whose educational level is above college to the whole full-time civil servants then is the last indicator (Table 3.6).³⁸

Table 3.5 Average Ratio of the Administrative Expenditure to the Whole Fiscal Expenditure in the Two District Governments

	Average ratio of the administrative expenditure to the whole fiscal expenditure from 1999-2002 ³⁹					
	1998	1999	2000	2001	2002	Average rate
Jintai District Government	NDA	19.58% (1126/5751)	18.65% (1240/6650)	17.85% (1509/8455)	17.68% (1580/8938)	18.44%
Weibin District Government	NDA	19.24% (1378/7163)	16.18% (1429/8831)	18.53% (1800/9716)	16.7% (1802/10793)	17.66%

Note: NDA means no data available.

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002.

³⁷ Data on the administrative expenditure in 1998 is not available.

³⁸ Only data on the number of civil servants in the two districts in 2002 are available. Additionally, civil servants in China mainly include full-time and temporary staff. Temporary staff are also employed and paid by the government. The only difference between temporary and full-time staff is that they have not the identities of civil servants. On the basis of available information, I calculate the number of the full-time civil servants per 10,000 populations. Detailed data about civil servants in two districts of Baoji City are listed in the attached Appendices 7 and 8.

³⁹ Taking the number in the table for Jintai in 1999 for example, administrative expenditure was RMB 11,260 thousand and the fiscal expenditure was RMB 57,510 thousand in 1999 in Jintai District. Administrative expenditure divided by the fiscal expenditure, the ratio of 19.58 percent is got.

Table 3.6 Statistics of Civil Servants in the Two District Governments in 2002

	The number of full-time civil servants per 10,000 population	The ratio of civil servants whose educational level is above college to the whole full-time civil servants
Jintai District Government	10.22	33.1%
Weibin District Government	12.02	27.2%

Source: Appendices 7 and 8.

Ideally, a government with fewer staff, minimum administrative costs and providing better service to the public is more effective in terms of its internal management ability. Unfortunately, information on local people's satisfaction to social services, an important measure to measure the quality of the services delivered by the government, is unavailable among these two districts. Based on the above three indicators, my analysis follows: with 12.02 full-time civil servants per 10,000 population in 2002, there is more staff to provide service to the local people in Weibin than Jintai. With an average rate of 17.66 percent administrative expenditure to the whole fiscal expenditure, Weibin District Government spends a smaller share of the whole fiscal expenditure to finance the salary of the staff and other administrative expenditure. However, given the statistics of the educational level of civil servants in Table 3.6, there are more highly educated civil servants in Jintai than Weibin. Hence, due to limited information, it is really hard to make a judgment which government had higher effectiveness in terms of internal management from 1998-2002.

Whether these two governments have the ability to solve social problems creatively, quickly and effectively needs to be further examined. Regarding the legislative innovation, all of the regulations passed by the two district governments after the 1980s

are compiled and analyzed for this assessment.⁴⁰ One criterion is used here: Are the fields covered by the regulations comprehensive to meet the needs of the public? Table 3.7 lists the number of areas covered by the regulations from 1998-2002 in the two districts. There is a striking contrast between the two districts in terms of the total number of the regulations. With 33 regulations in the past five years covering nine areas, Weibin District Government can quickly identify social problems that need to be solved, and then draft regulations to deal with them. Moreover, with 14 regulations for economic development, it is proved again that Weibin District Government made more efforts to manage the local economy.

Table 3.7 The Number of Areas Covered by Regulations in the Two District Governments

	The number of areas which regulations covered from 1998-2002	
	Jintai District Government	Weibin District Government
Economic development	3	14
Environmental protection	1	3
Public health	1	3
Social welfare & insurance	1	2
Government management	1	7
Education	1	0
Housing	1	1
Traffic	0	1
Family planning	0	1
Fire control	0	1
Total	9	33

Source: local Legislation Offices in Jintai and Weibin District government, Catalogue of Local Regulations in Jintai and Weibin.

⁴⁰ Usually local regulations in the two district governments of Jintai and Weibin are first proposed by the relevant administrative departments, and then issued for enforcement in the name of the district governments, such as *Regulation about the Reform and Development of Basic Education in Jintai District* is first raised by the Education Bureau in Jintai and then publicized by the Jintai District Government in September, 2003. Based on my phone interview, since the proposal and formation of one regulation is a complicated process, which many parties might be involved in, each local regulation is absolutely necessary for local economic and social development. They gradually play an important role in solving local development conflict and disputes over the past years. Telephone interview with an official in the Regulation Office of Jintai District Government on 23 July 2005 from Singapore.

With regard to another area of legislative enforcement, regulation on the government procurement and regulation on promoting the development of non-public economy are selected for the examination. Tables 3.8 and 3.9 below show the extent to which the two regulations have influenced the policy aims. Due to higher saving rate of 18.8 percent and more concrete measures taken to improve government procurement, the regulation on government procurement has more significant effects on the Weibin District Government, like saving money for purchasing office equipment. Concerning the implementation situation of the second regulation in the two districts from 1998-2002, the Weibin District Government not only realized the importance of the development of private economy, but also put it into action. It drafted specialized regulations and built up the Bureau of Non-public Economy Development to facilitate the development of private economy in the local region. Remarkably, with the setting up of the specialized departments, the development of private economy in Weibin achieved a greater improvement than before, demonstrated by the huge increase in the number of private enterprises and employed persons in 2000 and 2002. With reference to limited information in Table 3.9, the enforcement situation about the second regulation in the Weibin District Government is also better than that in Jintai.

Table 3.8 Government Procurement in the Two District Governments from 1999

	Enforcement situation of the regulation on government procurement from 1999			
	Institutional design	The amount of cost saving	Saving rate	Others
Jintai	The Government Procurement Center of Jintai District is set up on 2 April, 1999 with four employees. From 1 July 1999, this center started to operate.	To 14 September 2000, Jintai accomplished the procurement fund with a total amount of RMB 1,754,000 and RMB 108,000 cost saving	9.7%	

Weibin	The Government Procurement Center of Weibin District is also set up on April 1999.	Until 7 August, 2002, this center had conducted 40 cases with RMB 860 thousand cost saving.	18.8%	More than six related regulations on government procurement are enacted by Weibin District Government. Weibin District continuously innovates in its procurement system. Given different situations, various procurement methods are adopted, like public bidding, competitive and enquiry procurement. Many new working methods are created and improved.
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Source: Mainly from Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003. Also refer to internet information and some official documents in Baoji City.

Table 3.9 Development of Non-Public Economy in the Two District Governments

	The enforcement situation of the regulation on the development of non-public economy from 1998-2002					
		1998	1999	2000	2001	2002
The number of increased <i>getihu</i> (independent business operator)	Jintai	2768	3160	2955	2425	1896
	Weibin	2320	NA	19828	819	23250
The number of increased private enterprises	Jintai	127	115	124	130	126
	Weibin	103	NDA	167	152	1018
The number of increased employees in the private sector	Jintai	6236	NDA	4624	NA	4250
	Weibin	NDA	NDA	44710	NA	51411
Others	Jintai	NDA	NDA	NDA	NDA	NDA
	Weibin	NDA	NDA	Weibin District Government set up Non-public Economy Development Office and drafted a series of regulations to support the development private economy.	Weibin District Government established Bureau of Non-public Economy Development.	NDA

Note: NDA means no data available.

Source: Mainly from Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003. Also refer to internet information and some official documents in Baoji City.

Regarding the innovation ability, similarly the Weibin District Government did better in identifying new social problems and solving them by enacting regulations in a fast changing environment.

(3) Public Security

This section begins with a detailed investigation of government work in the area of public security from 1998-2002. Public security is one of the fundamental government functions, which is vital for peoples' lives. Table 3.10 gives a rough picture of the two district governments' measures and achievements on the public security work.

Table 3.10 The Two District Governments' Measures and Achievements on Public Security

	Governments' measures and achievements on public security			
	The number of all kinds of cases	Awards	The number of disputes mediated	Other measures
Jintai	In 1998, local police bureau investigated 1014 criminal cases, 2451 cases on public order, arrested 3337 criminals; In 2002, local police bureau investigated 1646 criminal cases, 2451 traffic accidents and arrested 268 criminals.	In 1998, it is awarded as a provincial-level excellent police bureau;	In 1998, local police bureau mediated 1193 disputes with a success rate of 98% .	In 2001, local police bureau established a detailed assessment system on policemen's' behaviour based on their performance.
Weibin	In 1999, the number of criminal cases decreased by 6% from 1998; In 2001, local police bureau investigated 1036 criminal cases, 2357 cases on public order and arrested 4512 criminals; In 2002, local police bureau investigated 302 criminal cases, 1200 traffic accidents and arrested 450 criminals.	In 2001, it is awarded as a provincial-level excellent police bureau;	In 1999, local police bureau set up 110 mediation committee to mediate 1378 disputes with a success rate of 98% .	In 1999, Weibin District Government established 458 sub-teams and 872 public order management offices to supervise local public security work;

Source: Mainly from Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003. Also refer to internet information from the official website of Jintai and Weibin District Government.

Frankly speaking, the two district governments of Jintai and Weibin all made great efforts and adopted many methods to commit themselves to create a secure social environment for the public over the past five years. For instance, every year both of them investigate volumes of criminal cases and arrest many criminals. However, data on

governments' efforts on public security in Table 3.10 are inadequate for us to learn which district did better in this area. This is because other possible factors may contribute to the number of criminal cases and traffic accidents, like the population and geographic position of the two districts. As Weibin District is located in the central part of Baoji City, a large number of floating population in the commercial street and the Baoji Railway Station might relate to more criminal cases and traffic accidents in Weibin. Thus, the governments' measures and achievements on public security work here cannot serve as a satisfactory answer to explain the situation of public security in the two districts.

Table 3.11 Per capita Expenditure of the Police and Supervising Departments

Per capita expenditure of the police and supervising departments (Yuan) ⁴¹	Jintai District Government	Weibin District Government
1999	10.5 (270/25.7102)	8.21 (252/30.7073)
2000	12.05 (334/27.7273)	9.24 (309/33.4434)
2001	14.4 (386/26.8155)	10.03 (328/32.6867)
2002	15.76 (427/27.0879)	11.08 (369/33.3014)
Average	13.18	9.64

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002.

Therefore, further analysis is necessary. The average per capita expenditure of the police and supervising departments in the two districts from 1999-2002 is calculated in Table 3.11.⁴² As illustrated in this table, public security services delivered by Jintai District Government are more expensive. The average expenditure the every local resident paid for the public security service in Jintai District is RMB 13.18, and it is only RMB 9.64 in Weibin District. Moreover, the gap of per capita expenditure between the two districts has increased since 1999. Due to almost the same-quality public security

⁴¹ The expenditure of police and supervising departments divided by the total number of population, we can have the amount of per capita expenditure of the police and supervising departments in that year.

⁴² The responsibilities of the police and supervising departments are all to provide service on public security to the local people. Supervising Department is in charge of impeaching and prosecuting criminals.

service offered by two district governments, Weibin District Government was more effective in providing public security service.

(4) Social Services

In addition to provide a safe living environment, another important function of the two district governments is to implement the local economic and social development plan, to deliver public goods and services to the local people, including electricity, water resource, education, public health, environment protection and etc. Therefore, the assessment of the achievement of social services is important for evaluating government effectiveness.

Education is an important evaluation area as it is the largest public service offered by the two district governments of Jintai and Weibin from 1998-2002. Two indicators are selected to measure their performance in the area of education: per capita education expenditure and the number of students, as gleaned in Table 3.12.⁴³

Table 3.12 Development of Education in the Two District Governments

	Per capita education expenditure from 1999-2002 (Yuan) ⁴⁴		The number of students from 1998-2002	
	Jintai	Weibin	Jintai	Weibin
1998	NDA	NDA	38952	49154
1999	52.04 (1338/25.7102)	51.23 (1573/30.7073)	39644	49863
2000	57.09 (1583/27.7273)	59.32 (1984/33.4434)	40729	50427
2001	83.79 (2247/26.8155)	84.19 (2752/32.6867)	41723	51800
2002	84.76 (2296/27.0879)	88.31 (2941/33.3014)	41257	52393
Average	69.42	70.76		
Growth rate			5.9%	6.6%

Note: NDA means no data available.

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002 and Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003.

⁴³ Education expenditure covers a range of areas, mainly the salaries of teachers, the purchase of teaching equipments and maintenance of school facilities. The students here consist of all students in the kindergartens, primary, secondary and high schools, polytechnics and colleges in Jintai and Weibin Districts.

⁴⁴ Data on per capita education expenditure in 1998 is unavailable.

As reflected in Table 3.12, although in 1999, the per capita education expenditure is higher in Jintai, Wein increased its investment in the development of education from 2000. With an average annual RMB 70.76 of education investment per person over the past four years, Wein District Government attached more importance to develop local education. Additionally, a growth rate of 6.6 percent in the number of students from 1998-2002 allows us to make a conclusion: Wein District Government made more efforts to attract and help more students to continue their studies, such as launching activities of educational propaganda, emphasizing the importance of education and increasing education investment. Concerning the examination results, Wein District Government performs better than Jintai District Government in terms of its ability to exercise the education function.

Table 3.13 Medical Resources in the Two District Governments

	The number of doctors per 10,000 population⁴⁵		The number of administrative staff per 10,000 population in hospitals	
	Jintai	Weibin	Jintai	Weibin
1998	36.40 (918/25.2211)	35.06 (1058/30.1749)	NDA	NDA
1999	36.41 (936/25.7102)	34.18 (1050/30.7173)	26.25 (675/25.7102)	22.59 (694/30.7173)
2000	38.70 (1014/26.1998)	32.16 (1022/31.7816)	24.73 (648/26.1998)	23.79 (756/31.7816)
2001	37.01 (994/26.8155)	32.15 (1051/32.6867)	22.79 (611/26.8155)	23.37 (764/32.6867)
2002	36.03 (976/27.0879)	32.88 (1095/33.3014)	23.63 (640/27.0879)	28.95 (964/33.3014)
Average	36.91	33.29	24.35	24.675

Note: NDA means no data available.

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002 and Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003.

⁴⁵ The changes of the number of doctors in two districts mainly arise from three basic resources: (1) from the changes of some medical institutions, (2) from retirement, and (3) from natural death or deaths from diseases.

Table 3.13 is the calculation of the number of doctors per 10,000 population and the number of administrative staff per 10,000 population in hospitals in the two districts from 1998-2002. From this table, a judgment can be made on the local medical resources in the two districts, especially the doctor resources. With an average number of 36.91 doctors per 10,000 populations in Jintai District, it indicates there are more doctors per 10,000 populations to offer medical treatments to local people than in Weibin District. In addition, in contrast with the increasing number of administrative staff per 10,000 population in hospitals from 1999-2002 in Weibin District, this number decreased in Jintai District. In 1999, there were 22.59 administrative staff per 10,000 population in Weibin Districts and 26.25 in Jintai District. At the end of 2003, this number increased to 28.96 in Weibin and also reduced to 23.63 in Jintai. Appropriate number of administrative staff is necessary and beneficial for the normal operation of an organization. But overstaffing the agency has been widely regarded as a kind of resource waste for effective agency management. With increasing administrative staff and decreasing professional doctors, Weibin District Government has to spend a lot to finance administrative fees instead of investing on the public health facilities, medical training and research. Hence, Jintai District Government has been more effective in providing public health from 1999-2002.

The final assessment area is the environmental management. In current China, the environmental protection and waste treatment have become salient issues for local governments because of the serious environment pollution problems. I do not intend to use air quality to measure the governments' ability to conduct environmental management. I will examine the implementation situation of the environment policies.

Fortunately, in late 2002, the Baoji Municipal Government specially organized an inspecting team to evaluate the outcome of different district governments' efforts in improving public environment, including these four aspects: city appearance, street appearance, restaurant sanitation, and public sanitation.⁴⁶ The inspecting team is made up officials from different districts and departments and makes an appraisal mainly on the basis of cleanness and tidiness. The full score for each item is 100 marks. Table 3.14 is employed to measure the performance of the governments' activities in environmental management in 2002. Among four areas, Weibin obtained the higher marks in three of them and its average score is also higher than Jintai. Hence, Weibin District Government performed better in managing environment.

Table 3.14 Results of Environmental Management Assessment of the Two District Governments

Name	Average score of city appearance	Average score of street appearance	Average score of restaurant sanitation	Average score of public sanitation	Average Score
Jintai	85.96	69.52	116.63	73.05	86.29
Weibin	84.41	76.16	123.56	76	90.03

Source: *Baoji Daily*, 5 August, 2003.

Regarding the three areas of education, public health and environmental management, the Weibin District Government has been more effective in advancing the development of education and managing environmental affairs, whereas the Jintai District Government did better in providing public health services.

Conclusion

⁴⁶ For details, see *Baoji Daily*, 5 August, 2003.

The task of evaluating government effectiveness in Jintai and Weibin Districts from 1998-2002 is now completed. Table 3.15 below summarizes all the findings and offers a full picture of government effectiveness in the two districts in Baoji City.

Table 3.15 Evaluation Result of Government Effectiveness in Jintai and Weibin Districts 1998-2002

Economic Development		Reform		Public Security	Social Services		
		Internal Management	Innovation ability		Education	Public health	Environment
HIGH	W	NA	W	W	W	J	W
LOW	J	NA	J	J	J	W	J

Note: W=Weibin District, J=Jintai District. NA means not applicable.

As shown in Table 3.15, the Weibin District Government performed better in the promoting economic development. From 1998-2002, both the growth rate of per capita GDP and local people's income in Weibin District are higher than in Jintai District. It is not possible to decide which district government was more effective in the area of internal management because of limited information. Nevertheless, the Weibin District Government had better innovation ability, including legislative innovation and legislative enforcement. Regarding the function of ensuring public security, since it is difficult to assess the quality of the service, we can only say that the Weibin District Government was more effective in providing public security in terms of lower service cost. Moreover, among the three selected social services, the Weibin District Government also had comparatively higher effectiveness as it did better in the two areas of education and environmental management.

In summary, with the higher government effectiveness in five fields among all seven ones, from 1998-2002 the effectiveness of the Weibin District Government was higher

than that of Jintai District Government. However, this is only a research result after comparing the effectiveness of the two district governments and does not mean that the Jintai District Government is not effective. Moreover, it should be noted that only four or 29 per cent of the 14 interviewees agreed that Weibin District Government was more effective than Jintai District Government as the other ten respondents could not evaluate the effectiveness of both district governments.⁴⁷

⁴⁷ The four interviewees are from the Secrecy Bureau of Baoji Municipal Government, the General Office of Chencang District Government and Weibin District Government, and the Research Center of Economy Development in Baoji City. They all argued the stronger economy of Weibin, such as the higher GDP and personal income, is the major indicator for them to vote Weibin. The rest of interviewees said it was quite difficult to give a comprehensive assessment about the effectiveness of two district governments since there were different performances of these two governments in various areas. In the eyes of those rest interviewees, economic performance is not the only indicator to assess the effectiveness of one government.

Chapter 4 Conclusion

This chapter presents preliminary policy suggestions for improving the effectiveness of the Jintai and Weibin District Governments in Baoji City. Based on previous research results, I first compare and analyze the differences between the official evaluation and my own evaluation results. I also explore some possible factors related to government effectiveness. Finally, I propose five policy suggestions to improve the effectiveness of the two district governments.

Analysis of Evaluation Results

According to the evaluation in Chapter three, the Weibin District Government was more effective from 1998-2002. However, it only received a higher effectiveness rating than the Jintai District Government in 2001 based on the official evaluation results. The immediate question is: why did the Weibin District government perform better under my evaluation system? How do we account for these two different evaluation results?

After analyzing the indicators and scores, differences appear to arise from three basic sources. First, in the official evaluation system, internal government management is neglected as a factor. Furthermore, the evaluation on the governments' ability to cope with dynamic and changing environment (the "reform" category in my evaluation system) is also not included in the official system. However, this ability is the embodiment of an important function of local government, which stresses "innovation" (idea innovation and system innovation) in contemporary China. The Weibin District Government had excellent performance in these two aspects as mentioned above, which partly leads to its higher rank in my final evaluation. Lastly, sixteen functional targets in the official system

basically focus on the economic activities of the government. However, in my evaluation and analysis, the examined areas are comparatively more comprehensive. And the evaluation on the government's ability to manage social affairs is also given sufficient attention, such as in areas of public security, education, public health and environmental management.

For China's current needs to construct a market economy, the official system for evaluating the government effectiveness in Baoji City may be more suitable since it indeed encourages the selective policy implementation of the district governments, that is, to carry out the policies assigned by their high levels and assist the central government to achieve the whole goals of construction of "well-off" society (*xiaokang* society) in the new 21st century. However, in the long run, the official evaluation method may not bring benefits for the welfare of the local people, as local governments care more about their supervisors' needs than the people's interests. This top-down approach does not easily respond to the local needs and aspirations.

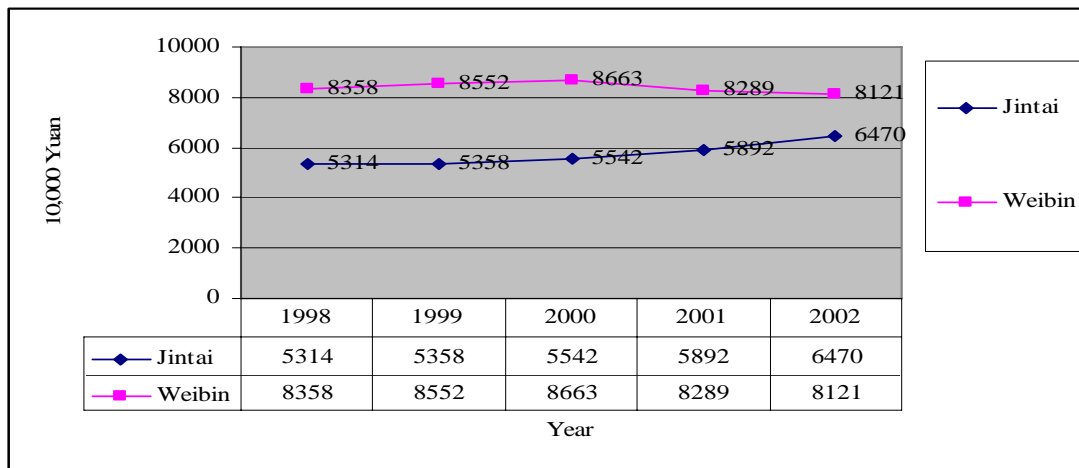
Explaining Government Effectiveness

In the literature, institutional designs and legal origins have an impact on the government effectiveness. However, in my study, the two district governments of Jintai and Weibin have the similar institutional design (or government structure) and legal origins (socialist law). Therefore, I will examine the correlation between government effectiveness and other possible factors as discussed before, such as socioeconomic factors, sociocultural factors, education, and urbanization.

Socioeconomic Factor

Aristotle has argued that “the prospects for effective democracy depend on social development and economic well-being”.¹ According to the report produced by the World Economic Forum, consensus among the scholars suggests that there is a direct causal effect from better governance to the improved development outcomes.² Additionally, many researchers I have mentioned in the literature review argued that social development, economic prosperity and socioeconomic modernity may affect government performance. Conventional wisdom holds that richer countries are better able to afford the costs associated with providing a competent government bureaucracy, sound rule of law, and an environment in which corruption is not condoned.³ In my research, I will put such argument through an empirical test. In the Chinese context, fiscal revenue is the most appropriate indicator for measuring local governments’ financial capacity and the extent of economic prosperity. Data in Figure 4.1 help to examine the relationship between the local financial capacity and the effectiveness of local government.

Figure 4.1 Fiscal Revenues of the Two District Governments



Source: Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003.

¹ Robert. D. Putnam, *Making Democracy Work: Civic Tradition in Modern Italy* (Princeton: Princeton University Press, 1993), p. 11.

² World Economic Forum, *The Global Competitiveness Report 2003-2004* (New York: Oxford University Press, 2004), p. 145.

³ *Ibid.*, p.145.

In Figure 4.1, the fiscal revenue in Weibin appears to decrease while the one in Jintai keeps increasing from 1998-2002. Jintai District invests more on the local people, has increased fiscal revenue to provide a competent government bureaucracy and social environment from 1998-2002. In contrast to a positive effect from better governance to the improved economic development, this finding shows that there is an absence of feedback from local economic condition to the effective governance in these two districts. Richer government cannot directly leads to the higher government effectiveness in Jintai District. A strategy of waiting for improvement of governance to come automatically as regions become richer is unlikely to succeed.⁴

Education

Table 4.1 Average Year of Education Accepted by Local People in November 2000

	The number of local people						Average year of education
	Illiteracy	<i>Sao Mang Ban</i>	Primary school	Secondary school	High school	College and above	
Jintai	10,888	3244	60,878	101,851	99,001	39,351	9.843
Weibin	9214	2774	43,894	87,511	95,051	23,657	9.816

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 2000.

The average year of education accepted by the local people is selected for measuring their educational level in the two districts of Jintai and Weibin. Data on educational level of local people are available for testing as shown in Table 4.1 only for the year 2000. Evidently, no major difference between the local people's educational level in Jintai and Weibin exist, with an average 9.843 years of education for local people in Jintai and 9.816 years in Weibin.⁵ Hence, a positive correlation effect from local educational level

⁴ *Ibid.*, p.145.

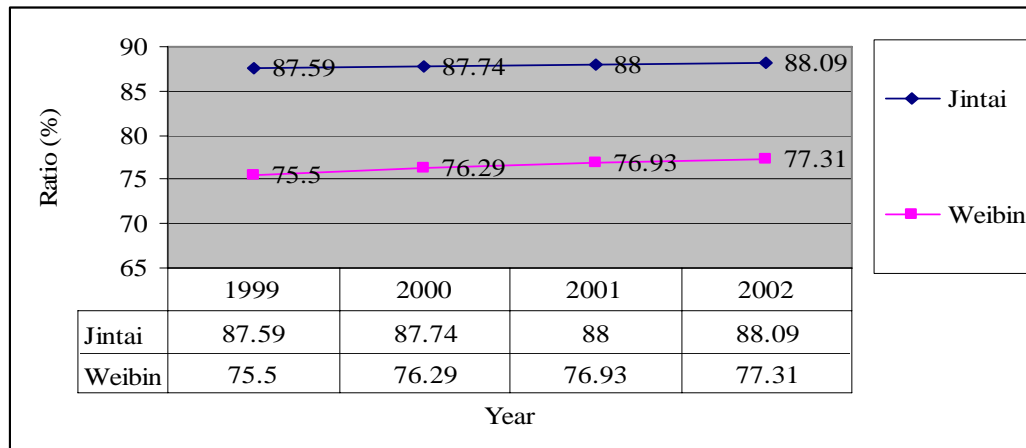
⁵ *Sao Mang Ban* is also called Wipe-out-illiteracy class, *Sao* means wipe out, *Mang* means illiteracy and *Ban* means class. I first assign different weights to the people with various educational level, such as 0 year

to government effectiveness cannot be found in my case study. The high educational level of the local people cannot lead to the high government effectiveness.

Urbanization

In the *Global Competitiveness Report 2003-2004*, after analyzing global data in many countries, scholars argued that early results supported the observation: governance performance at the city level is aided by the extent of the country's globalization and urbanization path (controlling for income level); furthermore, the city's relative size and its status as a capital or a port do not appear to have a deleterious effect on the quality of city-level governance.⁶

Figure 4.2 The Extent of Urbanization in Two Districts from 1999-2002



Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002.

For my case, as the impact of the extent of the country's globalization is same to the two districts, I want to test the relationship between the extent of local urbanization and government effectiveness. As reflected in Figure 4.2, Jintai is highly urbanized with

to illiteracy, 1 year to people participated in *Sao Mangban*, 6 years to the people graduated from primary school, 9 years to those with secondary school certificate, 12 year for high school certificate and 16 years for college and above certificate. And then I multiply these different weights by the number of population under the corresponding educational level. Lastly, this total number is divided by the whole population of different districts in 2000. In this way, I receive the average 9.843 years of education for local people in Jintai and 9.816 years in Weibin.

⁶World Economic Forum, *The Global Competitiveness Report 2003-2004*, p. 154.

around 88 percent of urbanization rate from 1999-2002. In contrast, the urbanization rate in Weibin only increased from 75.7 percent to 77.31 percent, still lower than Jintai. Without controlling the income level, one positive causal relationship may not exist between the extent of urbanization and government effectiveness.

Sociocultural Factors

From Plato to Almond, scholars seek to explain differences in democratic governance with local political culture, the development of civil society. In the *Republic*, “Plato argued that governments vary in accordance with dispositions of their citizenry”.⁷ Tocqueville highlighted the relationship between the “mores” of a society and its political practices. According to Putnam, the development of civil society contributes to the effectiveness and stability of democratic polity.⁸ Civic associations, for example, reinforce the “habits of the heart” that are essential to stable and effective democratic institutions.⁹ They have “internal” effects on individual members and “eternal” effects on the wider polity. Internally, associations instill in their members habits of cooperation, solidarity and public-spiritedness. Externally, interest articulation and interest aggregation are enhanced by a dense network of association.¹⁰

In my research, the relationship between the development of civil society and government effectiveness will be examined in the Chinese context. I am supposed to use three indicators for measuring the sociocultural factors due to the available access to the data: the annual circulation of *Baoji Daily*; the ratio of the transportation and the

⁷ Putnam, *Making Democracy Work: Civic Tradition in Modern Italy*, p. 11.

⁸ *Ibid.*, pp 88-89.

⁹ Alexis de Tocqueville, *Democracy in America*, translated, edited, and with an introduction by Harvey C. Mansfield and Delba Winthrop (Chicago: University of Chicago Press, 2000), p. 57.

¹⁰ Putnam, *Making Democracy Work: Civic Tradition in Modern Italy*, pp.88-89.

communication expenditure to the total expenditure of each person in 1999-2002; and the number of civil organizations.¹¹

The first indicator is about the number of newspapers read by the local people annually. According to the Mr. Yuan, Director of Circulation Department of *Baoji Daily*, “over the past five years this newspaper has a circulation of 8,000 in Jintai District and a circulation of 10,000 in Weibin District.”¹² Therefore, based on the higher circulation of *Baoji Daily* in Weibin, we can conclude that more people in the Weibin District bought *Baoji Daily* than the Jintai District from 1998-2002. However, the number of newspaper read by the local people itself cannot serve as a valid indicator for evaluating the extent of people's interest in public affairs.

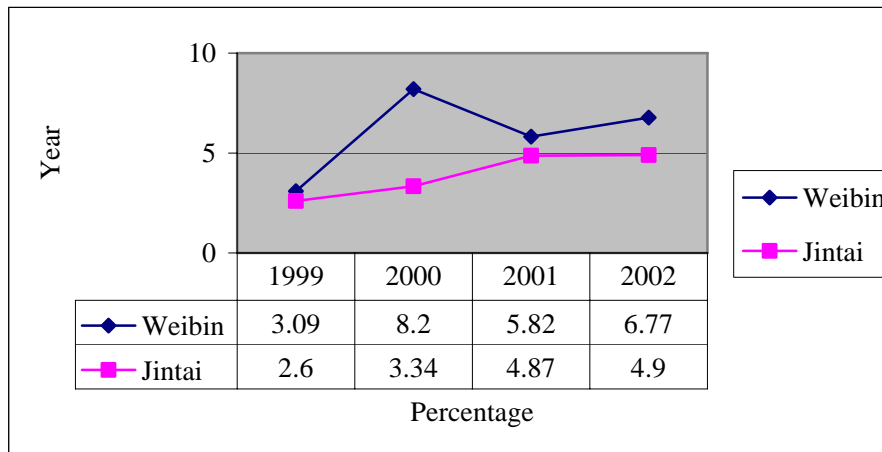
For the second indicator, with the higher total amount of expenditure per person in the Jintai District from 1999-2002 than the Weibin District, the ratio of the transportation and communication expenditure to the total expenditure for each person in Jintai is much lower than those in Weibin.¹³ From Figure 4.3, we can say local people in the Weibin District are more likely to spend money on exchanging information with friends and family members, and the communication frequency for local people in Weibin is higher for those in Jintai. However, when we consider Weibin District has an area of 728 square kilometres and Jintai District is 329 square kilometers in area, it is not surprising that the population in Jintai spend less money on transportation and communication than the population in Weibin as Weibin is more than twice the size of Jintai.

¹¹ *Baoji Daily* is one the most popular and influential newspaper in Baoji City with a history of more than 30 years.

¹² Based on a telephone interview with Mr. Yuan on 29 July, 2004 in Baoji City.

¹³ The total amount of expenditure per person for one year in Jintai District is around RMB from 4100-4600 1999-2002, while around RMB 3000-3400 in Weibin District during the same time period.

Figure 4.3 Ratio of the Transportation and Communication Expenditure to the Total Expenditure of Each Person from 1999-2002



Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002

The third indicator is the number of civil organizations in the two districts. Since the Bureau of Civil Affairs in Baoji Municipal Government only keeps complete data on the number of civil organizations from 2002, only one-year's data are available for analysis.¹⁴

Table 4.2 Statistics of Civil Organizations in the Two Districts in Baoji City in 2002

			Jintai	Weibin
The number of Civil Organizations	Social organizations	Scientific organizations	NA	NA
		Professional organizations	2	3
		Industrial associations	NA	NA
		United organizations	2	3
		Foundations	NA	NA
	Private non-profit organizations	Educational private non-profit organizations	10	18
		Sporting private non-profit organizations	NA	NA
	Total		14	24

Note: NA means not applicable.

Source: Bureau of Civil Affairs, Baoji Municipal Government, *Statistics of Civil Organizations in Baoji City*.

¹⁴ According to *The Regulations of Registrations and Management of Social Groups of the PRC*, all the civil organizations must register in the local civil affairs bureau. In principle, they must accept the leadership from the local government and have to act in accordance with the national laws and regulations.

From Table 4.2, remarkably there are more civil organizations in the Weibin District than those in the Jintai District. The major difference between Jintai and Weibin is in the number of educational private non-profit organizations. Nevertheless, one important point is that both Jintai and Weibin do not have scientific organizations, industrial associations, foundations, or sporting private non-profit organizations according to Table 4.2. This single indicator is not strong to prove that there are more civic activities and communication among the local people in the Weibin District.

On the basis of information above, there is no correlation between the development of civil society and government effectiveness. The extent of civil society's development and prosperity in Jintai and Weibin may not contribute to the effectiveness of these two governments.

Because of the limited availability of data, my explanation about government effectiveness is certainly not complete or comprehensive. Other factors which may be associated with government effectiveness, like leadership (leadership skills, style and leader's characteristics) need consolidation as well. It is because the majority of the interviewees during my fieldwork agreed that the management ability of the leaders, their ways of thinking, all exert significant influences on the local governance. Unfortunately, the leadership is hard to be measured and compared based on limited information. In the future, with more information and advanced statistical methods, further in-depth research to explore all the factors may become possible.

Policy Suggestions for Improving Government Effectiveness

The following policy suggestions for improving government effectiveness are mainly derived from my research findings in Baoji City. These suggestions pertain to the two district governments of the Jintai and Weibin in Baoji City, but may also have useful reference to other local governments at various levels in China for improving their effectiveness.

(1) The responsibilities or functions of the government should be clearly identified.

As discussed before, there are many shared responsibilities among different levels of governments in Baoji City, like the land management, environmental management and social subsidy. However, a lack of clarity in assigning government responsibilities is a common problem in China. China's 1994 Budget Law only spells out in broad principles the division of functions between the central and subnational governments, but is silent on the division of the labour between tiers of subnational governments. This leaves essentially all decentralized functions as concurrent assignments for the various subnational tiers.¹⁵ In many cases, due to the weak bargaining position of the lower level governments to the centralized political system, there is always a tendency of concentration of revenue to the upper-level governments and the delegation of expenditure responsibilities to the lower-level governments.¹⁶ As the World Bank report argued:

This approach has led to two undesirable outcomes in China over the past decades. First, expenditure assignments are murky, with a good deal of uncertainty about which level of subnational government is responsible for what. With all subnational levels jointly responsible, no one is accountable. Second, this murkiness has worsened the fiscal status of the lowest tiers and adversely affected service delivery. In the Liangshan Yi minority prefecture

¹⁵ World Bank, *East Asia Decentralizes*, June 2005, (accessed on 29 June 2005), available from: <http://siteresources.worldbank.org/INTEAPDECEN/Resources/Chapter-2.pdf>.

¹⁶ Justin Yifu Lin, Ran Tao, and Mingxing Liu, "Decentralization and Local Governance in the Context of China's Transition," (accessed on 23 September 2004), available from: <http://www.usc.cuhk.edu.hk/wkgb.asp>.

in Sichuan Province, this lead to the elimination of free medical care and epidemic prevention program, among other services.¹⁷

In my case study, the two district governments and Baoji Municipal Government share responsibilities, especially for the expenditure. And these shared responsibilities are often obscured with plenty of uncertainty about the responsibilities at the different levels of government. For example, in some years, Jintai District can afford all the education expenditure in its defined region. In other years it may encounter a short fall in the fiscal revenue to finance education, and need the financial assistance from the municipal government. Under these circumstances, these unclear government functions make the evaluation of government effectiveness difficult.

The simplistic assignment of complex services to a single level of government is not practical. Most countries around the world have overlapping functions. Nevertheless, during China's transition from a planned economy to a market economy, clarifying responsibilities for regulation, financing, implementation, provision, and maintenance of assets is extremely important and necessary, as it is ensuring that these assignments are clear to all, including the public.¹⁸ Scholars have agreed that transforming government functions is the basic step for improving government performance. Only after successfully identifying government responsibilities and streamlining the relationship between government and society, government and market, is it likely for the government to achieve greater progress in improving its effectiveness or performance.

In this way, the first suggestion for improving government effectiveness in Jintai and Weibin is to make the division of work, labour, financing, service provision and

¹⁷ World Bank Group, *East Asia Decentralizes*, p. 97.

¹⁸ *Ibid.*, p. 97.

maintenance clear and concrete between different levels of governments, that is, the Baoji Municipal Government and two district governments. It is also important to define the areas the government should be responsible for. One typical example is that: it should not be the responsibility of the central government to intervene in the internal business management of state-owned enterprises. These enterprises themselves should be responsible for their business.

(2) Governments' missions or objectives should be clear, desirable, flexible and communicated.

The district government's objectives should be clear so that the employees can clearly identify their own tasks and responsibilities. Local people should be able to understand the various governments' functions and assess their activities. Meanwhile, local government's objectives should match people's desirable goals so that people have confidence and strength to work together for accomplishing tasks. Moreover, local government's objectives should be flexible and communicated to allow prompt adjustments and even changes of its missions to face challenges from the fast-changing and dynamic society.

Taking the objectives of the two district governments of Jintai and Weibin for example, obviously their missions are clear and quantifiable. They put economic development as their highest priority. They care more about the growth rate of GDP, the total amount of annual fiscal revenue than people's daily life, such as whether local people have a secure and comfortable living environment, and whether they can obtain timely social subsidy, unemployment assurance and enough social welfare. In the official system for evaluating government effectiveness, the majority of indicators are used to measure the extent of

socioeconomic development in local areas. Only two indicators with 30 scores among the total 700 scores more or less relate to local people's daily life, that is, the allocation of urban labour and the output number of labour. Even in 2004, these two indicators were cancelled by the Baoji Municipal Government mainly based on the chief leaders' suggestions.

However, whether these clear goals are all desirable and on the right track? It has to be acknowledged that Chinese governments have achieved impressive accomplishments in improving local economy. In contrast to the great economic development, the delivery of public services to the local people is still lagging behind. In the existing system for evaluating government effectiveness in Baoji Municipal Government, few or even no indicators are designed to evaluate the social services offered by the government, which is the biggest service provider in the local region. It is a little ridiculous, but it is the truth.

Therefore, in the current official evaluation system in Baoji, more indicators used for assessing government's ability to conduct social management should be added. Additionally, evaluation indicators should be comprehensive with an attempt to cover the important government policy domains.

(3) The two district governments of Jintai and Weibin should pay more attention to improve their internal audit management, not only their administrative efficiency.

For a long time, low administrative efficiency of the government has been regarded as the primary source for its low performance in China. Even in the Global Competitive Report, regarding the extent of bureaucratic red tape, China ranks lowest among 102 countries.¹⁹

¹⁹ Researchers sent questionnaires to companies around the world to ask "how much time does your firm's senior management spend dealing/negotiating with government officials (as a percentage of time)?" Based on 1=0%, 2=1-10%, 3=11-20%, 4=21-30%, 5=31-40%, 6=41-50%, 7=51-60%, 8=61-70%, 9=71-80%, 10=81-100%, China obtained the highest score 3.9, which ranked the last place. For details, see World Economic Forum, *The Global Competitiveness Report 2003-2004*, p. 478.

Also, when we search in Chinese for “improving government effectiveness or performance” in the internet or Chinese academic journals, improving administrative efficiency shows wide acceptance by the government and scholars as an effective method. Similarly, in Baoji City, the municipal and district governments also have taken a few measures to improve their administrative efficiency, like cutting down the administrative procedures for the convenience of local people and companies. Enquiries from the local people through the telephones or letters should be professionally responded in a given time period.²⁰

Nonetheless, the improvement of administrative efficiency does not automatically suggest the same as the improvement to government effectiveness. The definition of “administrative efficiency” is always confused with the one of “government effectiveness” in the Chinese context. Basically administrative efficiency is different from government effectiveness. The former highlights the working speed of civil servants and administrative departments when they serve while the later stresses the quality of service. High-quality service should be provided with the people’s satisfaction and a comparatively cheap and reasonable price.

In Jintai and Weibin District Governments, more attention has been given to improve the quality of civil servants and their service attitude and efficiency. For instance, public recruitment of the college students and strict regulations are drafted to guide the behaviour of the civil servants. But strengthening internal audit management to control administrative costs is neglected. Taking Birmingham City Council’s fiscal expenditure

²⁰ Baoji Municipal Government, “Baojishi guojia xingzheng jiguan jiqi gongwuyuan gonggong fuwu xingwei guifan zanxing guiding,” (Temporary Regulations on Public Service Behaviors of Administrative Departments and Civil Servants in Baoji City) *Baojishi Renmin Zhengfu Gongbao*, (Gazette of People’s Government of Baoji City) Issue 4, 2003, pp. 19-20.

in the United Kingdom in 1997 for example, the dominant positions are the education and housing expenditure, together accounting for 60 percent. Administrative expenditure is included in the category of other services, below the 8 percent of the whole fiscal expenditure.²¹ In contrast, the average ratio of the administrative expenditure to the whole expenditure in Jintai and Weibin from 1998-2002 is around 18 percent. Remarkably, given the limited budget, the two district governments spend more on financing the workforce out of line with international practice. The local budget for administrative expenditure should be cut accordingly.

Of course, a dilemma will exist in efforts to improve the quality of service and reduce the service cost at the same time. In this regard, introducing internal auditing system and cutting the workforce in Jintai and Weibin would be helpful. The establishment of a sound audit and supervising system to examine and check fiscal expenditure may restrict administrative expenditure to a great degree. More importantly, it is a good way to curb the corruption of officials and governments. Reducing the workforce can control the administrative cost, improve the incomes of civil servants, and reduce the risk of corruption by using higher salaries.

(4) Public opinions and appraisals should be included in the whole evaluation.

From the establishment of the PRC, over the past five decades, usually government performance evaluation in China is done internally, a model similar to a self-evaluation.²² Under such an arrangement, local governments' performance is evaluated by their supervisors or different government bodies' performance is assessed by each other. Such

²¹ David Wilson and Chris Game, *Local Government in the United Kingdom*, 2nd ed. (London: Macmillan, 1998), p. 159.

²² Fei Li, "Independent evaluation helps government improve," *China Daily*, (accessed on 14 March, 2005), available from http://www.chinadaily.com.cn/english/doc/2005-01/24/content_411663.htm.

a model is subject to a host of problems. For example, top officials at the high-level government usually have a large, sometimes deciding, say on the ultimate assessment of their lower government. And when government bodies are assessing each other's performance, they tend to turn a blind eye to their respective defects and amplify their merits. In addition, the final outcome of the evaluation only comes out when it gives credit to the assessed, while negative ones will usually be kept in the dark.²³

Concerning that impartiality and objectivity are seriously compromised in such evaluation frameworks, one popular and effective way in western countries can be introduced in China, that is, inviting one independent third party to handle the delicate yet complicated evaluation process. This independent third party could be a research institution, or a professional investigation company. In this way, appraisals produced by the third party about government work will be more objective. Meanwhile, public opinions can be taken into account to strengthen the feedback process.

As a typical example, at the end of 2004 a centre for the local government performance evaluation was set up in Lanzhou University in west China's Gansu Province. This centre is the first of its kind in China. In order to gauge the local private enterprises' assessment on local governments' performance, the Gansu provincial government entrusted this centre to handle the evaluation job, a task that was previously done by the government itself.²⁴ This centre surveyed 18,000 private firms and delivered a comprehensive report to the provincial government based on its survey results in January 2005. Results show that the average satisfaction rate of the private firms to the local governments at the city level and below is 62.41 percent, the 59.20 percent of satisfaction rate for the provincial

²³ *Ibid.*

²⁴ *Ibid.*

government.²⁵ Such a mechanism operated by a professional outsider will more accurately put the government performance in perspective.

However, in order to enhance its effectiveness, more institutions should be set up to introduce competition in the sector. And the results should always be made known to the public and subject to the public scrutiny.²⁶ Furthermore, comments from local people should be incorporated to reflect real public opinions on the government work. With neutral stand and professional experiences, this kind of research centre or investigation company would produce more valid and convincing results, and also play an important role in local governance in the future.²⁷

Further, due to the reality of contemporary China that the development of professional and independent third party are still at a fledging stage, one compromised but feasible method to listen to public ideas for local government is to include the public appraisals and assessments into the official effectiveness evaluation system. Although this practice is still implemented by the government itself, at least it can convey a brief and comparatively complete public message and information to the government. From my point of view, without voices from the masses and the society, the validity and accuracy of the evaluation on government performance is questionable.

Therefore, in the long run, introducing public assessment into government effectiveness evaluation system in China will be more popular and become a visible fact.

²⁵ "Pingyi xianshi: feigong qiye dui gansu zhengfu bumen manyilv zai liucheng," (Appraisal shows: satisfaction rate of private firms to government in Gansu Province is about sixty percent) (accessed on 14 March, 2005), translated from Chinese into English, available from: http://news.xinhuanet.com/newscenter/2005-03/09/content_2674418.htm.

²⁶ "An Unbiased Assessment," *People's Daily*, (accessed on 14 March, 2005), available from: <http://www.bjreview.com.cn/05-03-e/WEEKLY-200503.htm>.

²⁷ Of course, the establishment of competitiveness among institutions and incorporation of public opinions from the local people into the official evaluation will produce a more valid evaluation result. However, for China's specific situation, this expectation may not be realistic for the contemporary China, might need long time.

One good practice is that from 2006, in order to learn more about public ideas and formulate clear targeted public policies, the Nanjing Municipality Government started to entrust the Nanjing Public Opinion Investigation Centre to conduct a series of qualitative and quantitative investigations by the way of buying service.²⁸

(5) The indicators for evaluating government effectiveness in Baoji City and the evaluation practice should be revised and updated.

The official evaluation system in Baoji Municipal Government plays a very important role in the local economic and social development and its impacts are far-reaching. The evaluation system can be used for assessing, to keep track and examine the performance of governments. It can also be regarded as an effective motivation mechanism to introduce the competitiveness within the governments. Good evaluation results with appropriate financial rewards can encourage governments to work harder while the poor results with some criticisms can also be viewed as an alert. More importantly, these evaluation results are directly related to the local leaders' political careers in the future as these results are used by the upper-level governments to make a decision on their promotion. For its importance, some problems in this evaluation system deserve attention.

First of all, with the development of the society, some indicators should be revised or updated for the accurate measurement, such as the use of GDP to measure economic development. In the past, GDP served as the sole criterion for the officials' performance. Recently, Chinese governments are considering the replacement of GDP with the new

²⁸ "Nanjing: Government Buys Public Opinion in order to Formulate Good Public Policies," (accessed on 20 Feb 2006), translated from Chinese into English, available from: http://news.xinhuanet.com/society/2005-12/03/content_3872296.htm

concept of “Green GDP”.²⁹ “Green GDP” strives to unify economic growth with the environmental protection so that it reflects the achievements and costs of national economy activities.³⁰ Within three to five years, economic growth, social development and environmental protection would be taken into consideration for the appraisal of the performance of officials and governments in China. The adoption of this new indicator and system will make the assessment on government performance more accurate.

Secondly, a major feature of the evaluation practice in Baoji City is that the evaluation task is divided into several parts. Different functional departments are in charge of various aspects of the evaluation work and only the Personnel Bureau takes the final responsibilities to collect and compile data, to produce evaluation results. Data on the achievement of GDP, for example, are provided by the Statistics Bureau while the figures on local fiscal revenue are offered by the Financial Bureau. Besides, the Tax Bureau is in charge of collecting data on the amount of tax submitted by the private enterprises and Tourism Bureau conducts statistics on tourism income and the number of travellers. For this complicated and separated situation, it may cause one serious problem: the validity of data is doubtful. As we all know, only when surveys or investigations are conducted under the guidance of professional statistical method, the data could be regarded as considerably reliable and precise. In the context of Baoji City, different information sources, information collection methods and analysis procedures reduce data accuracy and encourage administrative inefficiency in collecting statistics and conducting

²⁹ Green GDP means the GDP (Gross Domestic Product) calculated after deducting the cost of environmental damage occurring from economic activities. It is an adjustment to current GDP indexes. Created by the World Bank in 1997, green GDP involves methods to calculate the real national wealth of various countries. From Lan Xinzhen, “All for Green GDP,” (accessed on 17 March 2005), available from: [http://www.bjreview.com.cn/200418/Business-200418 \(A\).htm](http://www.bjreview.com.cn/200418/Business-200418 (A).htm).

³⁰ “Green GDP” index system is approaching: Interview,” *People’s Daily Online*, (accessed on 17 March 2005), available from: http://english.people.com.cn/200409/15/eng20040915_157149.html.

evaluation work. Thus, the setting up of an independent information centre in Baoji City to collect, compile and analyze data is necessary for a convincing and satisfactory evaluation.

Conclusion

Building a sound system for evaluating government effectiveness is a difficult task. The success of this task will depend on establishing appropriate institutions and incentives, like the audit system, information centre and the financial rewards. In other parts of the world, the system for evaluating government effectiveness, supporting institutions and incentives evolved over the decades. China's experience is at a nascent stage, especially at the local level. And the official system for evaluating government effectiveness in Baoji Municipal Government has its own advantages and disadvantages.

One of the most important features of this official evaluation system is the strong leadership of the Baoji Municipal Government. With the support from the chief leaders in Baoji Municipal Government, especially the mayor, this system is continuously revised and plays an important role to evaluate the effectiveness of local officials and local governments.³¹ Since the municipal leaders in Baoji City believed the statistical data about the amount of tax submitted by the non-public enterprises are not accurate and important, this item on the tax submitted by the private enterprises, including the growth rate and the number, was omitted in the 2004 evaluation. The allocation of urban labour and output number of labour are also excluded from the existing evaluation system in

³¹ Furthermore, even one local official proudly spoke to me that with the wise and open-minded municipal leaders, Baoji City could establish and revise this evaluation system to assess government's behaviour and achieve great economic progress. Interview with the official of People's Congress of Baoji City on 21 July 2004, Baoji, China.

2004. With the power granted by the municipal Government, the Personnel Bureau drafts assessment policies and conducts the final evaluation. Furthermore, after discussions and agreements achieved among the leaders, the evaluation results can be finally decided and publicized. The story of Taibai County mentioned before is a good example. This kind of strong leadership eliminates or reduces obstacles from the involvement of other players, like local people's congress (the legislative organ in local areas). At the same time, it helps to consolidate local leaders' positions and power.

Moreover, as China is a communist country, this evaluation system decided by the high-level leaders naturally obtains the support of other departments and local officials. Relevant departments assume their own responsibilities to make an appraisal about the various aspects of government work. The subordinate district or county governments all treat this evaluation seriously. In this way, this evaluation system automatically gets the cooperation of other key players, like the press. The municipal government publicized the evaluation results via the newspapers and television. Therefore, even though it is not perfect, this evaluation system plays an important part in the promotion of local economic development.

Nonetheless, with the economic development and the improvement of people's living standards, the needs of the public would inevitably diversify. Under this circumstance, meeting people's needs and making people satisfied with the public services offered by the local government will be a more demanding task. People need to express their ideas to government agencies via various communication channels and gradually participate into the process of policy formulation and evaluation.³² In the near future, local

³² China's first public hearing over an environment issue was held in April 2005, with the debate focused on a suspended project to line the lake bed of Yuanmingyuan garden in Beijing's western suburbs with a

governments would face a changed situation: to share responsibility and power with other parties, like the press, the masses and civil organizations. The coordination and cooperation with different parties would be a challenge. Responses to the local people's needs and desires would have to be considered when governments conduct evaluation.

In conclusion, I propose five recommendations to improve government effectiveness in the two districts of Jintai and Weibin in Baoji City. The responsibilities or functions of the government should be clearly identified. Government missions or objectives should be clear, desirable, flexible and communicated. In addition, local government should pay more attention to improve its internal audit management not only its administrative efficiency. Public opinions and appraisals should be included in the evaluation. The indicators for evaluating government effectiveness and evaluation practice in Baoji Municipal Government should be revised and updated with the development of society.

Finally, insufficient information in choosing effectiveness evaluation indicators and designing the evaluating system constitute the limitations in my study, and cannot make the constructed evaluation system so prefect. In this sense, whether my research findings in two district governments in Baoji City are applicable to other local regions in China is an empirical question. However, it is hoped that this exploratory study on government effectiveness in the Jintai and Weibin District Governments would provide useful information and encourage other scholars to initiate research on the effectiveness of local governments in other provinces in China.

plastic membrane. The hearing, lasting four hours and a half, allowed 120 delegates from all social circles to express their opinions over the project's impact over the soil, ground water and its surrounding terrestrial ecosystem. "China holds environment hearing over disputed project in imperial garden," (accessed on 11 August 11, 2005), available from: http://english1.people.com.cn/200504/14/eng20050414_181007.html. In addition, more public hearings will be held on ticket price adjustments on nationwide tourist sites and train ticket price adjustments. Although whether the governments will accept people's opinions about certain public issues through public hearings is still not sure, this kind of public hearing can be viewed as the progress in the history of Chinese democratic political development.

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Maps

Map 2.1 Map of Baoji City



Source: (accessed on 14 October 14, 2004), http://encarta.msn.com/map_701510504/Baoji.html.

Map 2.2 Map of Baoji City in Shaanxi Province



Source: (accessed on 14 October 14, 2004), <http://www.maps-of-china.com/shaanxi-s-ow.shtml>.

Appendices

Appendix 1 The Structure of Baoji Municipal Government before June 2001

<p>Baoji Municipal Government</p>	<ol style="list-style-type: none"> 1. The General Office of Municipal Government 2. Commission of Planning 3. Commission of Economy and Trade 4. Commission of Economic System Reform 5. Commission of Science and Technology 6. Commission of Education 7. Police Bureau 8. National Security Bureau 9. Bureau of Civil Affairs 10. Judicial Bureau 11. Finance Bureau 12. Personnel Bureau 13. Labour Bureau 14. Urban Planning Bureau 15. Bureau of Urban and Rural Construction and Management 16. Bureau of Environmental Protection 17. Housing Management Bureau 18. Agriculture Bureau 19. Forestry Bureau 20. Water Resources Bureau 21. Land Management Bureau 22. Township Enterprise Management Bureau 23. Machinery and Electronic Industry Bureau 24. Light Industry Bureau 25. Heavy Industry 26. Commerce Bureau 27. Bureau of Foreign Trade and Economic Co-operation 28. Transport Bureau 29. Bureau of Auditing 30. Bureau of Culture 31. Bureau of Broadcast and Television 32. Bureau of Cultural Relics 33. Bureau of Health 34. Commission of Family Planning 35. Committee of Physical Exercises 36. Tourism Bureau For foreign Affairs 37. Bureau of Statistics 38. Bureau of Industrial and Commercial Administration 39. Technology Supervising Bureau 40. Bureau of Complaint 41. Bureau of State Assets Management 42. Local Tax Bureau 43. Office of Agriculture Development 44. Bureau of Prices 45. Research Centre for Economic and Social Development 46. Baoji Local Chronicles Office 47. Seismological Bureau 48. Bureau of Grains 49. Parent Company of Textile Industry of Baoji City 50. Trust and Investment Company of Baoji City 51. Supply And Marketing Cooperatives of Baoji City 52. Parent Company of Second Light Industry of Baoji City 53. Baoji People Aerial Defense Office 54. Baoji <u>Spiritual Civilization Office</u> (Patriotic Public Health Committee) 55. Commission of Baoji High-Technology Industry Development Zones 56. Baoji Office of Coordination for ministerial and Provincial Enterprises 57. Association of Food Industry of Baoji City
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Source: Baoji Municipal Government, Reform Scheme of Baoji Municipal Government (Baojishi jigou gaige fangan), June 2001.

Appendix 2 The Structure of Baoji Municipal Government in December 2001

Baoji Municipal Government	32 administrative department	<ol style="list-style-type: none"> 1. The General Office of Municipal Government 2. Commission of Development and Planning (Prices Bureau) 3. Commission of Economy and Trade 4. Bureau of Civil Affairs (Bureau of Ethnic and Religious Affairs) 5. Bureau of Supervising (Commission for Discipline Inspection) 6. Police Bureau 7. Judicial Bureau 8. Finance Bureau 9. Personnel Bureau 10. Labour and Social Security Bureau 11. Bureau of Land and Resources 12. Transport Bureau 13. Agriculture Bureau 14. Water Resources Bureau 15. Forestry Bureau 16. Education Bureau 17. Bureau of Science and Technology 18. Bureau of Culture 19. Bureau of Broadcast and Television 20. Bureau of Health 21. Sports Bureau 22. Bureau of Family Planning 23. Bureau of Auditing 24. Bureau of Environmental Protection 25. Bureau of Urban and Rural Construction and Management 26. Bureau of Urban Planning 27. Bureau of Urban Management and Administrative Enforcement 28. Bureau of Complaint 29. Bureau of Statistics 30. Bureau of Foreign Trade and Economic Co-operation 31. Bureau of Grains 32. Bureau of Foreign Affairs and Tourism
	2 permanent working organs	<ol style="list-style-type: none"> 1. People Aerial Defence Office, Committee of National Defense and Mobilization 2. Leading Group Office of Comprehensive Agricultural Exploitation (Leading Group Office of Poverty Alleviation and Development)
	6 directly affiliated functional units	<ol style="list-style-type: none"> 1. Research Centre for Development 2. Office of local Chronicles 3. Seismological Bureau 4. Bureau of Cultural Relics 5. Bureau of Township Enterprises 6. Bureau of Housing Management

Source: Reform Scheme of Baoji Municipal Government (Baojishi jigou gaige fangan), June 2001.

Appendix 3 Background Information on Jintai and Weibin from 1998-2002

	1998	1999	2000	2001	2002
Jintai	252,211	257,102	261,998	268,155	270,879
Weibin	301,749	307,073	317,816	326,867	333,014

	1998-2002
Jintai	72.16
Weibin	483

	1998	1999	2000	2001	2002
Jintai	11,111	/	/	14,320	15,357
Weibin	11,665	12,701	13,462	15,541	16,816

	1998	1999	2000	2001	2002
Jintai	5314/5170	5358/5751	5542/6650	5892/8455	6470/8938
Weibin	8358/6164	8552/7163	8663/8831	8289/9716	8121/10793

	1998	1999	2000	2001	2002
Jintai	2458	2661	2821	2905	3016
Weibin	2208	2237	2390	2491	2594

Source: Statistics Bureau, *Baoji Statistical Yearbook*, 1999-2002 and Baoji Local Chronicles Office, *Baoji Local Chronicles*, Shaanxi Renmin Press, 1999-2003.

Appendix 4 Structure of Weibin District Government, Baoji City in 2002

Weibin District Government	21 administrative departments	1. The General Office of Government (Foreign Affairs Office and Inspection Office) 2. Civil Affairs Bureau (League of Overseas Chinese) 3. Planning and Economy Bureau (System Reform Office, Economic Cooperation Office and Information Centre) 4. Urban Planning Bureau 5. Township Enterprise Management Bureau (Township Enterprises Service Committee) 6. Prices Bureau 7. Bureau of Land Management (Land Price Appraising Committee, Land Expropriation Office and Land Management Committee) 8. Commerce and Trade Bureau 9. Culture and Education Bureau (Sports Science Committee) 10. Finance Bureau (National Property Management Bureau and Agriculture Tax Bureau) 11. Weibin Branch of Baoji City Police Bureau 12. Judicial Bureau 13. Personnel and Labour Bureau (Office of Staffing Quota Commission, Target Responsibility Office and Health Care Centre) 14. Agriculture Bureau (Forestry Bureau) 15. Science and Technology Bureau (Science and Technology Organization) 16. Public Health Bureau (Patriotic Public Health Committee) 17. Family Planning Bureau (Family Planning Organization and Floating Population Office) 18. Auditing Bureau 19. Bureau of Statistics (Agriculture Investigation Team) 20. Grain Bureau 21. Supervising Bureau
	14 functional units	1. Bureau of Environmental Protection 2. Office of Civilization 3. Office of Dongwan 4. Office of Administrative Affairs 5. Office of House Reform 6. Office of Tourism 7. Bureau of Non-public Ownership Economy Development 8. Office of Old Mans 9. People Aerial Defense Office 10. Office of Industry 11. Bureau of Complaint 12. Bureau of Broadcast and Television 13. Disabled Persons' Federation 14. Office of Experimental Zone Management
	6 townships/towns	Shennnong, Shigu, Maying, Chaoyu, Bayu and Gaojia
	5 street offices	Jing'er Road, Jinling, Qiaonan, Jiangtan and Qingjiang

Source: "The Structure of Weibin District Government," (accessed on in 17 December 2004), available from: <http://wbq.baoji.gov.cn/008/jg04.htm>.

Appendix 5 Structure of Jintai District Government, Baoji City in 2002

Jintai District Government	24 administrative departments	<ol style="list-style-type: none"> 1. The General Office of Government 2. Bureau of Urban Planning 3. Development and Planning Bureau (Prices Bureau and Investment Promotion Bureau) 4. Economy and Commerce Bureau (Safe Production Surveillance Bureau, Township Enterprise Management Bureau and System Reform Office) 5. Civil Affairs Bureau 6. Supervising Bureau 7. Jintai Branch of Baoji City Police Bureau 8. Judicial Bureau 9. Finance Bureau 10. Personnel, Labour and Social Security Bureau 11. Land and Resources Bureau 12. Agriculture Bureau 13. Forestry and Water Resources Bureau 14. Education Bureau 15. Science and Technology Bureau (Association for Science and Technology) 16. Culture and Tourism Bureau 17. Public Health Bureau 18. Family Planning Bureau 19. Auditing Bureau 20. Environmental Protection Bureau 21. Bureau of Statistics 22. Grain Bureau 23. Complaint Bureau 24. People Aerial Defence Office, Committee of National Defense and Mobilization
	5 townships/towns	Chencang, Panlong, Xiashi, Lingyuan and Jinhe
	7 street offices	Zhongshan East Road, Zhongshan West Road, Qunzhong Road, Xiguan, Dianzijie, Dongfenglu and Shilipu

Source: "The Structure of Jintai District Government," (accessed on in 17 December 2004), available from: <http://jtq.baoji.gov.cn/2003/jgsz/2.php>.

Appendix 6 The System for Evaluating Government Effectiveness in Baoji Municipal Government in 2002

	Score	Contents / Scores	Marking rules
Functional targets	700	1. Gross Domestic Product (GDP) / 30 Annual growth rate of GDP / 70 2. Total amount of local fiscal revenues / 80 Annual growth rate of local fiscal revenues / 100 3. Total amount of fixed asset investment / 30 Annual growth rate of fixed asset investment / 70 4. Annual growth rate of stockbreeding production value / 40 Average annual income of peasants / 40 5. Total amount of investment signed in the agreement / 40 Total amount of investment transferred and confirmed/ 60 6. Total amount of taxes contributed by non-public ownership companies / 30 Growth rate of total amount of taxes contributed by non-public ownership companies / 30 7. Annual output number of labour / 15 The number of allocation of labour in urban areas / 15 8. Total number of income from tourism / 25 Total number of people traveling in local areas / 25	1. During 80%-99% of degree of target achievement, full score is given out. 2. Below 80% of degree of target achievement, zero is given. 3. If the degree of achievement exceeds each one percent, 1% of score will be added. The maximum score added is 20% of the whole score of this item.
Fundamental management	200	1. Work ethics, work principles and contemporary tasks passed by municipal government 2. Party construction, building of socialist spiritual civilization, comprehensive management of social order, complaint management, safety production, environment management, reconstruction of damaged classrooms and family planning 3. Daily work management	1. If no problems happened, full score would be given. 2. Tasks cannot be finished or problems happen, specific scores will be deducted.
Appraisals	100	Appraisals from city leaders by the way of questionnaires and democratic appraisal	Any dissatisfaction is given, scores will be deducted.
Others		For districts or counties assuming some of 50 important construction projects of city, 15 scores will be added if one project achieved, or else, 15 scores will be deducted. 2. For districts or counties reported industrialization construction projects, 10 scores will be added if one project achieved, or else, 10 scores will be deducted.	

Source: Contents compiled from Baojishi xinanqu mubiao guanli zerenzhi kaohe zanxing banfa (Temporary regulations on evaluation of target management responsibility of districts and counties in Baoji City) (2003).

Appendix 7 Statistics of Civil Servants in Jintai District, December 2002

The number of civil servants			Distribution of age among full-time staffs							Distribution of education among full-time staffs				
total	Full-time staffs	Temporary staffs	31-35	31-35	36-40	41-45	46-50	51-54	55-59	Below senior high school	technical secondary school	Polytechnic	college or university	post-graduates
642	387	255	60	75	80	55	60	60	30	48	44	167	123	5

Source: Personnel Bureau of Jintai District Government, *Statistics of Civil Servants in Jintai District, 2002*.

Appendix 8 Statistics of Civil Servants in Weibin District, December 2002

The number of civil servants			Distribution of age among full-time staffs								Distribution of education among full-time staffs				
total	Full-time staffs	Temporary staffs	Below 30	31-35	36-40	41-45	46-50	51-54	55-59	Below senior high school	technical secondary school	Polytechnic	college or university	post-graduates	
	Total number														
		female													
787	453	118	334	33	51	88	87	91	69	34	53	70	207	115	8

Source: Personnel Bureau of Weibin District Government, *Statistics of Civil Servants in Weibin District, 2002*.